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Letter dated 7 January 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

The Counter-Terrorism Committee has received the attached report from Bhutan, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I should be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Counter-Terrorism Committee

02-22700 (E) 080402

Annex

Letter dated 3 January 2002 from the Permanent Representative of Bhutan to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

I have the honour to enclose herewith a report from the Royal Government of Bhutan to the Counter-Terrorism Committee pursuant to paragraph 6 of Security Council resolution 1373 (2001) (see enclosure).

(*Signed*) Om **Pradhan**
Ambassador
Permanent Representative

Enclosure

Implementation of United Nations Security Council resolution 1373 (2001) to combat international terrorism

Introduction

The Royal Government of Bhutan welcomes and supports the UN Security Council resolution 1373 adopted on September 28, 2001 to combat international terrorism and is committed to implementing the provisions of the resolution. The Royal Government will extend cooperation to the Counter Terrorism Committee established by the Security Council to monitor the implementation of the resolution 1373 and will provide all assistance that may be required by the Committee. The Royal Government will also continue to support the UN Security Council Resolutions 1269 and 1368.

The Royal Government of Bhutan unequivocally condemned the September 11, 2001 attack on the United States of America and called for an immediate end to such acts of terrorism, which threaten international peace and security. Like the rest of the civilized world Bhutan condemns all terrorists and their networks and firmly believe that the perpetrators of acts of terror including their leaders and organizations must be held accountable. Bhutan therefore fully supports the international consensus towards taking firm action against the evils of terrorism and believes that there should be no exception on ideological, political and religious or any other grounds in condemning terrorism or in countering it.

Bhutan is also a victim of terrorist activities committed by militants such as the outlawed ULFA/BODO organizations that have infiltrated from across the border with India.

Implementation of Security Council Resolution 1373

Operative Paragraph 1
Sub-paragraph (a) (b) (c) (d)

Bhutan or any other organization in the country does not in any way support any terrorist activity. Following the September 11, 2001 attack on the USA the Ministry of Foreign Affairs, Royal Government of Bhutan had advised the Ministry of Finance to inform all financial institutions in the country to check on all financial transactions that may be related to financing of terrorist activities. The financial institutions were provided with the list of persons and organizations that may be linked to terrorist acts as issued by the United States. The Royal Monetary Authority of Bhutan has also drawn the attention of the financial institutions in the country to Article 59 of the Financial Institutions Act of Bhutan 1992, according to which the financial institutions in the country are required " to reveal to the Royal Monetary Authority of Bhutan any evidence of serious criminal activity either in the Kingdom or abroad which it suspects is associated with the use of a bank account or its proceeds, or if it suspects that investments are the products of a serious criminal activity either in the Kingdom or abroad".

The financial institutions have reported back that no transactions have ever been conducted pertaining to the above list and that they would continue to be vigilant while conducting financial transactions.

Operative Paragraph 2
Sub-paragraph (a) (b) (c) (d) (e) (f) (g)

Bhutan has enacted in 1991, legislation to give effect to several multi-lateral instruments on suppression of terrorism. The 1991 legislation affords a basic legal framework for meeting the obligations under national, regional and international Conventions. The National Security Act of Bhutan that was brought out in 1992 has adequate provisions to criminalize acts of terror and to prosecute perpetrators of such acts.

Operative Paragraph 3
Sub-paragraph (a) (b) (c) (d) (e) (f) (g)

Although the Judiciary in Bhutan is competent to deal with counter terrorism cases in accordance with national and international norms, till date it has not dealt with cases relating to counter terrorism. This is because there has been no history or recent developments of organized crime related to finance, narcotics, arms etc in the country.

However, Bhutan is prepared to cooperate and share information on reciprocal basis on terrorism related matters as and when needed.

Bhutan is already a party to a number of regional and international conventions relating to combating terrorism and hijacking: These are as follows:

SAARC Regional Convention on Suppression of Terrorism

International Convention Against the Taking of Hostages

Convention for the Suppression of Unlawful Seizure of Aircraft

Convention on Offences and Certain Other Acts Committed on Board Aircraft, Tokyo, September 14, 1963

Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, Montreal, 1971

Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons including Diplomatic Agents

Convention of International Civil Aviation, Chicago, 1944

UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substance

International Convention for the Suppression of Financing of Terrorism was signed by Bhutan on November 14, 2001 at the United Nations to demonstrate Bhutan's firm resolve to join the international efforts to curb the menace of terrorism. Bhutan became the 107th country to sign the convention.

Assistance

Under Para 4.1, states are invited to identify requirement of technical assistance in the preparation of their reports. Presently we do not require any assistance in the preparation of our report. However, given our limited experience in dealing with the subject, we may request for assistance if necessary.

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Letter dated 7 January 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

The Counter-Terrorism Committee has received the attached report from Hungary, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I should be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Counter-Terrorism Committee

02-22692 (E) 080402

Annex

Letter dated 3 January 2002 from the Permanent Representative of Hungary to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

On instructions from my Government, I have the honour to transmit to you herewith the report of the Government of Hungary to the Counter-Terrorism Committee, submitted pursuant to paragraph 6 of Security Council resolution 1373 (2001) (see enclosure).

(*Signed*) André Erdős
Ambassador

Enclosure

Report to the Counter-Terrorism Committee

REPUBLIC OF HUNGARY

Hungary is strongly committed to the full implementation of Security Council Resolution 1373(2001) of September 28, 2001.

Legislative actions

Acting upon the Bill submitted by the Government of Hungary, on 27 November 2001 the National Assembly of the Republic of Hungary adopted Act LXXXIII. of 2001 on Combating Terrorism, on Tightening up the Provisions on Impediment of Money Laundering and on the Ordering of Restricting Measures (annexed).

Act LXXXIII. of 2001 amends a whole range of existing laws in order to develop the regulatory and enforcement system strengthening the anti-money-laundering environment:

- Amendment to the Law Decree No. 2 of 1989 on Saving Deposits focuses on the abolishment of anonymous savings deposit books;
- Amendment to Act XXIV. of 1994 on Prevention and Impeding of Money Laundering extends its scope in line with the EC Directive on the prevention of the use of the financial system for the purpose of money laundering;
- Amendment to the Civil Code changes definition of the savings deposit, with a view that only registered savings deposit will exist;
- Amendment to the Criminal Code;
- Amendment to Act CXI. of 1996 on Offering of Securities, Investment Services and the Stock Exchange aimed at registered securities can only be offered to the public;
- Amendment to Act CXII. of 1996 on Credit Institutions and Financial Enterprises tightens the regulation of "bureaux de change";
- Amendment to Act IV. of 1978 on the Criminal Code declares the act of making material assets available for the commission of an act of terrorism as a criminal offence.

On 13 November 2001 the National Assembly of the Republic of Hungary ratified the International Convention for the Suppression of Terrorist Bombings, adopted by the General Assembly of the United Nations on 15 December 1997. On 30 November 2001 the Republic of Hungary signed the International Convention on the Suppression of the Financing of Terrorism of 9 December 1999.

Executive actions

On September 18, 2001 the Government of Hungary adopted a decision confirming its consent to the Joint Declaration made by EU Heads of State and Government, the President of the EP, the European Commission and the High Representative for CFSP. The Government of Hungary has associated itself with the Conclusions and Action Plan of the Extraordinary European Council meeting on September 21, 2001.

On October 2, 2001 the Government of Hungary in its Resolution No. 2286/2001 (X.11.) has established an Inter-ministerial Committee upon the association with the policy and action plans of the EU on the fight against terrorism and adopted a detailed national Action Plan (annexed). The Committee is chaired by the Head of the State Secretariat for Integration in the Ministry of Foreign Affairs and comprises the representatives from the Ministry of Interior, Ministry of Transport and Water Management, Ministry of Finance and the Civil Security Agencies.

Representatives of other relevant agencies may be invited to participate when appropriate. The Committee has identified the necessary measures in the field of judicial co-operation, police co-operation, and fight against financing of terrorism, border control, aviation and political co-operation. The Action Plan determines the authorities in charge and establishes deadlines for the implementation. The Committee regularly meets to exchange information concerning the implementation of the international obligations to fight against terrorism on the national level.

On November 16, 2001 Hungary associated itself with the European Unions objectives of Common Position 2001/771/CFSP defined by the Council of European Union on November 5, 2001 concerning restrictive measures against the Taliban and ensured that its national policy conforms to that common position.

According to Act LXXXIII. of 2001, the Government shall be authorized to issue legal regulations, prohibitions and restrictions of economic, commercial, financial or other nature (hereinafter referred to as 'restrictive measures') on certain states, their natural and legal persons and other organizations. The introduction of restrictive measures shall be based on the international obligations undertaken by the Republic of Hungary. Restrictive measures which have been adopted by the Security Council of the United Nations in a resolution, or the Council of the European Union in a common position within the framework of the CFSP shall in all cases be considered as having such a basis. Restrictive measures under CFSP may be introduced if the Government of the Republic of Hungary has associated or aligned itself with the common position of the EU. (Section 1 of Act LXXXIII. of 2001)

The Government adopted a Decree on December 27, 2001 on the Implementation of Act XXIV. of 1994 on Prevention and Impeding of Money Laundering (English version of the Decree will be submitted at the earliest opportunity).

Measures taken to combat terrorism:

A) Combat the financing of terrorism

- Prohibition of opening of new anonymous savings deposits books, the existing ones will be converted into registered savings deposits;
- Only registered securities may be issued and offered to the public in the form of series;
- New rules for identification of the beneficiary owner;
- Stricter operational rules for currency exchange offices; only credit institutions and their agents may be authorized to provide such services;
- Registration of persons crossing the Hungarian border carrying more than HUF 1 million in cash or the equivalent amount in foreign currency;
- Further actions of the government and the supervisory bodies, such as the Financial Intelligence Unit of the National Police Headquarters will be strengthened, the number of its staff will be significantly increased and internal policies, procedures and controls will be adopted.

B) Border protection

- The independent visa issuing competence of embassies and consulates was withdrawn and visa issuing is only possible with the approval of the Ministry of Foreign Affairs in the countries of higher security risk;
- Asylum and immigration procedure and related measures are applied with maximum rigour;
- Strict rules are applied on leaving from and returning to community shelters and reception centers.

C) Biological terrorism

- The National Health Officer's Service (NHOS) was authorized to control and measure the value and the content of the vaccines, antidotes as well as antibiotics and supplies at national levels;

- NHOS with the health services of the Army established a task force of experts to co-ordinate relevant actions;
- The Epidemiological Defence Working Group of the Ministry of Health adopted measures to combat biological terrorism;
- Upon the initiative of the National Health Officer steps were taken to re-establish the biological laboratory of the highest security level;
- NHOS issued an order for the health services on the measures to be taken in the case anthrax infection; detailed special information were delivered to the medical staff in the country; measures were taken to review the efficiency of the anti-smallpox vaccines;
- The National Directorate General for Disaster Management (NDGDM) under the supervision of the Ministry of Interior adopted comprehensive measures concerning the suspicious packages infected by anthrax;
- Detailed information was issued regarding anthrax for the professionals who may be effected, and for the public through the media.

D) Civil defence

- NDGDM adopted security measures on the protection of the public and to prevent biological threats, or to eliminate the consequences of a biological terrorist attack;
- Directive of the Ministry of Interior No. 39/2001 and Operative measure No. 02/2001 of the General Director of the NDGDM were issued on disaster plan: emergency communication plan, the safety actions in the case of a terrorist attack or to eliminate the consequences of such an attack, fire-service plans and the order of co-operation in emergency;
- The standby plan of civil defence units were reviewed and updated;

The Government of Hungary also decided to increase the extraordinary amount allocated to financing the fight against terrorism by HUF 19.8 billion. This sum will be spent on improving equipment for the Hungarian police as well as on other emergency measures.

Actions to enhance international co-operation

The Inter-ministerial Committee is in charge of the co-ordination of the Hungarian participation in the international co-operation against terrorism. The Hungarian authorities pay special attention to co-ordinate their planned steps and actions with the relevant foreign authorities on bilateral as well as multilateral basis and continuously provide and exchange information with their foreign counterparts.

In accordance with the provisions of Act CXXV. of 1995 on National Security Agencies, the civil intelligence agencies actively exchange information with their EU-partners on bilateral basis as well as in the framework of the multilateral co-operation.

Concerning the fight against money-laundering, Hungary is co-operating closely with FATF, the European Union and its member states, OECD, the Council of Europe, the IMF and the World Bank.

On 4 October 2001 Hungarian Police and EUROPOL signed the agreement on the co-operation with the purpose of deepening effective information exchange regarding terrorist threats.

Operative Paragraph 1

Sub-paragraph (a) – What measures if any have been taken to prevent and suppress the financing of terrorist acts in addition to those listed in your responses to questions on 1(b) to (d)?

The International Convention for the Suppression of the Financing of Terrorism (adopted by the General Assembly of the UN on 9 December 1999) has been signed on 30 November, 2001 on behalf of the Government of the Republic of Hungary according to Government Resolution No. 2336/2001. (XI. 22.).

Paragraph (1) of new section 261 of Act IV of 1978 on the Hungarian Criminal Code (annexed, hereinafter referred to as the Criminal Code), as amended by Act LXXXIII. of 2001, stipulates that any person who makes material assets available for the commission of an act of terrorism shall be considered to have committed a crime and shall be punishable by imprisonment for a period of five to fifteen years. This covers all financial assistance activities that the Security Council of the United Nations may render to prevent or suppress.

Sub-paragraph (b) – What are the offences and penalties in your country with respect to the activities listed in this sub-paragraph?

Amendment of the Criminal Code referred to above entered into force on 19 December 2001 and amended Section 261 reads as follows:

> "1) Any person who deprives another person of his/her personal freedom or seizes material assets of considerable value, and declares that he/she will not release that person or leave the goods intact or return them unless his/her demand addressed to a public administrative body or a non-governmental organisation has been fulfilled, as well as any person who makes material assets available for the commission of an act of terrorism shall be considered to have committed a crime and shall be punishable by imprisonment for a period of five to fifteen years."

The amendment attaches criminal liability to making material assets available for the commission of an act of terrorism, as a general clause and the penalty may be imprisonment for a period of 5 to 15 years for crime. The punishment shall be imprisonment from 10 years to 15 years or life imprisonment, if the act of terrorism is committed (a) causing death or an especially grave disadvantage, (b) in wartime.

Besides perpetrators accessories are also punishable and attempts of the crimes referred to above are also subject to the provisions of the Criminal Code.

Under the provisions of the Criminal Code accessory is a person, who intentionally grants assistance for the perpetration of a crime (Section 21 (2) of the Criminal Code) without explicitly committing the elements of the offence. Accessory can be established by action and inaction or negligence. as well.

Section 16 of the Criminal Code states that the person, who commences the preparation of an intentional crime, but does not finish it, shall be punishable for attempt. The item of punishment of the 'finished' crime shall be applied for the attempt (Section 17 (1) of the Criminal Code). The person, who perpetrates preparation for an act of terrorism, shall be punishable for a felony with imprisonment from 1 year to 5 years (Section 261(3) of the Criminal Code). The person who credibly obtains information suggesting that the perpetration of an act of terrorism is being prepared, and fails to report that to the authorities as soon as he can, commits a felony, and shall be punishable with imprisonment of up to 3 years (Section 261 (4) of the Criminal Code).

Sub-paragraph (c) – What legislation and procedures exist for freezing accounts and assets at banks and financial institutions? It would be helpful if States supplied examples of any relevant action taken.

Act LXXXIII. of 2001 on Combating Terrorism, on Tightening up the Provisions on the Impeding of Money Laundering and on the Ordering of Restrictive Measures is in force (annexed). Relevant amendments adopted in Act LXXXIII. of 2001 are the following:

The amendment of the Law Decree No. 2 of 1989 on Savings Deposits focuses on the anonymous savings deposit books. The main elements of the amendment are as follows:

- savings deposits can be placed with a credit institution only on a registered basis, with the savings deposit book bearing the depositor's (and the beneficiary's) name, date and place of birth;
- those savings deposits that are already in existence and are anonymous (bearer's savings deposit books or savings deposits with a password) must be converted into registered form. This must take place at the time of the first presentation of the savings deposit book, once the credit institution has established the identity of the holder;
- if the first presentation takes place after 30 June 2002 personal details of the deposit holder will be reported to the National Police Headquarters in case of deposits of 2 million HUF or more;
- after 31 December 2004, the transformation of the savings deposit can be carried out only upon the written request of the deposit holder, with the approval of the National Police Headquarters.

Act XXIV. of 1994 on the Prevention and Impeding of Money Laundering as amended by Act LXXXIII of 2001:

- its scope is extended to a large number of professions outside the financial sector;
- the identification obligation also holds when entering into business relations;
- information on the beneficial owner must always be required when the client is identified (e.g. when entering into business relation, at transactions over HUF 2 million in value and when circumstances may indicate money laundering);
- as the foreign exchange restrictions were lifted in June 2001, the import and export of cash over 1 million HUF in value must be declared to the customs authority on the basis of this Act;
- the identification obligation applies for currency exchange offices above the threshold of 300,000 HUF;
- as an exceptional rule, the execution of suspicious transactions can be suspended for 24 hours;
- definition of identification data and documents are shifted to the act from the Government Decree.

The amendment of the Civil Code changes the definition of the savings deposit, therefore only registered savings deposit may exist in the future.

Act CXI. of 1996 on the Offering of Securities, Investment Services and the Stock Exchange is amended, therefore only registered securities can be offered to the public.

Act CXII. of 1996 on Credit Institutions and Financial Enterprises is amended, therefore the regulations of 'bureaux de change' become much stricter:

- only credit institutions and their agents will be authorised to offer currency exchange services;
- licensing will be undertaken by the Hungarian Financial Supervisory Authority.

A Government Decree detailing staff and technical operating conditions has also been adopted.

Section 303(1) b) of the amended Criminal Code provides that

(1) Anyone who conceals material assets which have been generated in connection with an act punishable by imprisonment pursuant to this Act and perpetrated by another person, by means of ...

b) providing false information on the origin or true nature of those assets when making a statement provided for in the Act on Prevention and Impending of Money Laundering to the financial service provider or to the customs authorities

shall be considered to have committed a felony and shall be punishable by imprisonment for a period of up to five years.

Sub-paragraph (d) – What measures exist to prohibit the activities listed in this sub-paragraph?

Reference is made to the provisions of the amended Criminal Code elaborated above (Sections 261 and 303).

Operative Paragraph 2

Sub-paragraph (a) – What legislation or other measures are in place to give effect to this sub-paragraph? In particular, what offences in your country (i) recruitment to terrorist groups and (ii) the supply of weapons to terrorists? What other measures help prevent such activities?

Recruitment of members of terrorist groups and the supply of weapons to terrorists constitute preparation of acts of terrorism according to section 261 of the Criminal Code. The person who perpetrates preparation for an act of terrorism shall be punishable for a felony with imprisonment from one year to five years.

Other references in the Criminal Code may also be related to acts of terrorism and therefore contribute to the suppression of the activities referred to in sub-paragraph (a). These include:

- Violation of an Obligation based on International Law (Section 261/A)
- Misuse of Explosive or Blasting-agent (Section 263)
- Misuse of Firearms or Ammunition (263/A)
- Gun-running (263/B)
- Misuse of Radioactive Substance (Section 264)
- Misuse of the Operation of Nuclear Facilities (Section 264/A)
- Misuse of the Application of Nuclear Energy (Section 264/B)
- Criminal Misuse of Weapons Prohibited by International Treaty (Section 264/C).

Sub-paragraph (b) – What other steps are being taken to prevent the commission of terrorist acts, and in particular, what early-warning mechanisms exist to allow exchange of information with other states?

Reference is made to information provided in Operative Paragraph 3. Sub-paragraphs (a), (b) and (c).

Sub-paragraph (c) – What legislation or procedures exits for denying safe haven to terrorists such as laws for excluding or expelling the types of individuals referred to in this sub-paragraph?

/Legislation: Act of XXXIX of 2001, Article 4/

Entry and stay may be permitted when a foreigner holds valid travel documents and visa, he/she is not subject to any expulsion or ban on entry or stay and his/her entry does not threaten the public order or national security of an European Economic Area member state or the international relations of a member state.

/Executive action: Decree of the Government 170/2001/

The Immigration and Naturalization Office upon the advise of the National Security Office approves or rejects the visa applications. The Office may also request the opinion of the agencies of criminal investigations.

Upon request foreigners staying in Hungary with a valid visa may obtain permission to stay for a maximum period of two years. This permission may be extended upon request.

For humanitarian reasons the Office may issue a permission to stay for persons who applied for refugee status or enjoy temporary protection.

The permission to stay may be refused or withdrawn if the foreigner is subject to expulsion or a ban to enter and stay, does not have a valid visa, the purpose of his/her stay has changed, the foreigner communicated false data, submitted fake documents or violates immigration regulations.

A ban on entry and stay shall be ordered against a person who

- pursues an activity, or member of an organization endangering national security, public health or human environment,
- member or agent of a terrorist organization or is involved in the smuggling of firearms, explosives, radioactive materials or narcotic drugs, participates in illegal trading of materials and equipments for manufacturing weapons of mass destruction, manufactures or possesses for commercial purposes narcotic drugs or psychotropic substances,
- organises or facilitates the illegal entry, border crossing or stay of persons or groups, engaged in trafficking.

A foreigner may be taken into custody pending expulsion.

The person who violates (Criminal Code Section 261/A) an economic, commercial or financial prohibition pronounced on the basis of an international legal obligation of the Republic of Hungary, commits a felony, and shall be punishable with imprisonment of up to five years.

Any person who prepares, obtains, possesses or transfers to a person not entitled to possess explosives or blasting-agents, or equipment for the use of such, without authorization, commits a crime and shall be punishable with imprisonment from two to eight years. (Criminal Code Section 263)

The person who - without license - produces, obtains, keeps, distributes, processes or otherwise uses a radioactive substance or product of dangerous to health or the environment, transfers it to a person who is not entitled to keep it, commits a felony and shall be punishable with imprisonment of up to five years. (Criminal Code Section 264)

<u>Sub-paragraph (d)</u> – What legislation or procedures exists to prevent terrorists acting from your territory against other states or citizens?

National law enforcement agencies and intelligence services acting upon the relevant laws (Criminal Code, Act on Prevention and Impeding of Money Laundering as well as Act on entry and stay of foreigners) pursue with full force any illegal activities to the full extent of the law. Agencies have established direct contacts on a bilateral or multilateral basis to prevent terrorist acts to this end.

Sub-paragraph (e) – What steps have been taken to establish terrorist acts as serious criminal offences and to ensure that the punishment reflects the seriousness of such terrorist acts? Please supply examples of any convictions obtained and the sentences given.

Hungary is strictly adhering to UN legal instruments against terrorism in its domestic legislation, thus ensuring that the terrorist acts defined in the international conventions and protocols are established as serious criminal offences under the Criminal Code.

The punishments inflicted upon perpetrators of terrorist acts extending to 5 to 15 years or 10 to 15 years or life imprisonment respectively are the harshest punishments provided for under the provisions of the Criminal Code. [In this regard reference is made to the comments made regarding Operative Paragraph 1, Sub-paragraph (b)]

In the past five years, no person was convicted or sentenced for the commission of terrorist acts in the country.

Sub-paragraph (f) – What procedures and mechanisms are in place to assist other states? Please provide any available details of how these have been used in practice.

Speeding up the ratification process of the Convention on Mutual Assistance in Criminal Matters between EU Member States (adopted on 29 May, 2000) is among the priorities of the Government's Action Plan. The drafting of the new law on mutual assistance in criminal matters and application of the measures on the basis of bilateral agreements prior to accession to the European Union is under way.

Sub-paragraph (g) – How do border controls in your country prevent the movement of terrorists? How do your procedures for issuance of identity papers and travel documents support this? What measures exist to prevent their forgery?

Under the Action Plan a central investigation unit with the tasks of co-ordinating the fight against illegal immigration and of human trafficking, and a central deployment unit with the tasks of aliens policing (checking of trains, bus stations and traffic junctions) will be established.

Besides national units, regional units will be set up at the nine Border Guard Directorates and in Budapest, which will perform in-depth checks in their own region individually or in co-operation with the police and the Customs and Finance Guards. The Plan determines in detail the tasks of the authorities both at national and regional level.

The purpose of the Border Registration System is to maintain public order and guarantee public security in the territory of Hungary, to increase the efficiency of preventive measures in fighting against illegal migration and organised crime.

The Border Registration System, operated by the Border Guards, is able to read, to analyze and to process automatically data of travel and identity documents of persons crossing the border and to control the security marks. In the case of border crossings by car, the Border Registration System reads and checks automatically the car plate. In the case of non-machine-readable travel document and car plate the data inputs are carried out manually. These data are controlled in the watch list of persons and objects, and car plates are checked in the vehicle database. In the case of matching with a person or an object, the prohibition or watch list, the system notifies the officer on duty.

The installation of Border Registration System at land border crossing points (operating 24 hours a day, or with limited operational time), at Ferihegy International Airport In Budapest and at Budapest International Port (Danube) was completed in 2000. Mobile IT technical equipment are being installed at rail border crossing points and at temporary land border crossing points. As soon as the on-line computer system is completed, the system will have a direct link to other systems such as the picture transmitting-and the fingerprint identification system.

The controlled data of passengers are registered at three levels. The first level is the border crossing point, where the passenger crossed the border, the second is the competent Border Guards Directorate and the third is the central database.

The Border Registration System shortens the time of checking of passengers and effectively promotes crime detection and prevention of criminal activities.

Operative Paragraph 3

Sub-paragraph (a) – What steps have been taken to intensify and accelerate the exchange of operational information in the areas indicated in this sub-paragraph?

Sub-paragraph (b) – What steps have been taken to exchange information and cooperate in the areas indicated in this sub-paragraph?

Sub-paragraph (c) – What steps have been taken to cooperate in the areas indicated in this sub-paragraph?

Hungary has concluded agreements on a bilateral basis with 28 countries concerning the suppression of terrorist activities and organized crime. The Governments of the United States and Hungary have concluded a Memorandum of Understanding in 2000 on the exchange of intelligence and the provision of technical assistance concerning the prevention and suppression of organized crime.

International cooperation has been intensified since the adoption of SC Resolution 1373 (2001) as indicated in the Government's Action Plan.

The agency ordering expulsion shall take action to have the fingerprints of the foreigner taken. The fingerprints taken, supplemented with personal identification data and photo of the person concerned, should be immediately transmitted to the data processing Agency of Criminal Records. Data may be forwarded to the Schengen Information Center via the Hungarian International Co-operation Center.

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International cooperation has been intensified since the adoption of SC Resolution 1373 (2001) as indicated in the Governments Action Plan.

Hungary has signed a number of international agreements (on the order of borders, border traffic, on combating organized crime, on re-admission,) with all neighbouring countries (except Yugoslavia) as well as many other states. These agreements provide co-operation and exchange of information among border control agencies. Where appropriate, the Hungarian Border Guards and the Customs and Finance Guards have set up joint working committees with the representatives of their counterparts of the neighbouring countries to facilitate the control process. The border control agencies are also envisages the exchange of liaison officers to promote co-operation to that effect.

In addition to the above, Hungary has an agreement on co-operation in the field of fight against international organized crime with all EU Member States.

The Border Guards have permanent contacts with the police attaches in the embassies of EU Member States accredited in Budapest.

The Government has decided to introduce a new Bill to the National Assembly on mutual assistance in criminal matters between investigative authorities (Government Resolution No. 1087/2001. (VII.8.)). It will regulate - inter alia - the forms of co-operation adopted by the Schengen legislation (Articles 39-47) and will also take into consideration the Convention of 29 May, 2000 on Mutual Assistance in Criminal Matters between the Member States of the European Union.

An internal regulation of the Minister of Interior on the adoption and implementation of the Schengen legislation defines the tasks related to the conditions of hot pursuit and cross-border surveillance.

Sub-paragraph (d) – What are your government's intentions regarding signing and/or ratifying the conventions and protocols referred to in this sub-paragraph?

Hungary has either ratified or signed all universal legal instruments against international terrorism that are in force as well as the European Convention against Terrorism.

Hungary has ratified the following international instruments relating to terrorism:

1. Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September, 1963 [Law decree No. 24 of 1971]
2. Convention for the Unlawful Seizure of Aircraft, signed at The Hague on 16 December, 1970 [Law decree No. 24 of 1972]
3. Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September, 1971 [Law decree No. 17 of 1973]
4. Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, adopted by the General Assembly of the United Nations on 14 September, 1973 [Law decree No. 22 of 1977]
5. International Convention against the Taking of Hostages, adopted by the General Assembly of the United Nations on 17 December, 1979 [Law decree No. 24 of 1987]
6. Convention on the Physical Protection of Nuclear Material, signed at Vienna on 3 March, 1980 [Law decree No. 8 of 1987]
7. Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 24 February, 1988
8. Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, done at Rome on 10 March, 1988
9. Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf, done at Rome on 10 March 1988
10. Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March, 1991
11. European Convention on the Suppression of Terrorism, concluded at Strasbourg on 27 January, 1977 [Act XCIII. of 1997]
12. International Convention for the Suppression of Terrorist Bombings, adopted by the General Assembly of the United Nations on 15 December 1997 [National Assembly Resolution No. 57/2001 (IX.7.)]

On November 30 2001, Hungary has signed the International Convention for the Suppression of the Financing of Terrorism, adopted by the General Assembly of the United Nations on 9 December, 1999 [Government Resolution No. 2336/2001 (XI. 22)]. Ratification process is under way.

Sub-paragraph (e) – Provide any relevant information on the implementation of the conventions, protocols and resolutions referred to in this sub-paragraph.

Upon ratification of the international conventions and protocols referred to above, Hungary has made the necessary amendments and modifications in its national legislation. [see Operative Paragraph 1, sub-paragraph (c)] According to the provisions of the Hungarian Constitution international instruments become part of the body of national legislation upon ratification.

Reference to terrorist activities is also made in the amendment of the Act on Police. The Police may request prior authorization from the Public Prosecutor for covert investigation and access to personal data or data on bank, securities or cashiers secrets and other business secrets. In case the delay for such authorization would endanger the success of the investigation and the case is connected to - among others - terrorism, money laundering or organized crime, the prior permission of the Public Prosecutor will not be necessary.

Special Units have been set up to fight against terrorist acts within the Hungarian National Police. These units report directly to the National Police Headquarters. The International Law Enforcement Co-operation Center is acting as a link between the Hungarian investigation authorities and those of other countries.

Act CXXV of 1995 on National Security Agencies deals with the tasks, objectives and responsibilities of the various security Agencies.

In 1998, the Government of Hungary established a special team responsible to investigate bombing cases.

Sub-paragraph (f) – What legislation, procedures and mechanisms are in place for ensuring asylum seekers have not been involved in terrorist activity before granting refugee status?

In accordance with the Law on Asylum (CXXXIX of 1997), those who submit application to obtain refugee status are screened by the National Security Office. Any person who might endanger public order or might be a risk to national security is refused to get a permission to stay.

Sub-paragraph (g) – What procedures are in place to prevent the abuse of refugee status by terrorists?

The strict limitations referred to above are a first and effective filter to prevent the abuse of refugee status by terrorists. Those admitted to stay in community shelters are permanently supervised by the relevant authorities.

Appendices:

1. Act LXXXIII of 2001 on combating terrorism, on tightening up provisions on the impeding of money laundering and on the ordering of restrictive measures*
2. Measures taken and planned by the Government of Hungary to implement the European policy and action plan on the fight against terrorism
3. Act XXXIX of 2001 on the entry and stay of foreigners*
4. Act IV of 1978 on the Hungarian Criminal Code*

* Appendices 1, 3 and 4 are available for consultation in the files of the Secretariat.

Unofficial translation

Appendix 2

Measures taken and planned by the Hungarian Government to implement the European policy and action plan on the fight against terrorism

EU measures	Planned Hungarian measures	Responsible authority	Time table	Notes
Judicial co-operation				
draft framework decision on the definition of terrorism and approximation of sanctions	Amendment of the Criminal Code and adoption of the new law on criminal responsibility of legal persons	Ministry of Justice, Ministry of the Interior	after the adoption of the framework decision and following its time table	
draft framework decision on the European Arrest Warrant	Amendment of law XXXVIII of 1996 on international judicial co-operation in criminal matters and of the law on criminal procedure	Ministry of Justice, Ministry of the Interior	after the adoption of the framework decision and following its time table	
Speeding up of ratification of the Convention on Mutual Assistance in Criminal Matters between EU Member States	Speeding up the drafting of the new law on mutual assistance in criminal matters and – depending on the positive approach of international partners – application of the measures on the basis of bilateral agreements prior to accession	Ministry of Justice, Ministry of the Interior	Immediately	
Police co-operation				
Autonomous Hungarian measures: In a decision the Government raised the budget of anti terrorist measures by HUF 19,2 billion, a part of which will be spent on police equipment				
Rapid passing-on of terrorism relevant information to Europol	Passing-on of terrorism related information of the Hungarian police	Ministry of the Interior, National Law Enforcement Co-operation Centre	Continuously	on the basis of the Europol-Hungary co-operation agreement signed on 4 October 2001
Setting up of Joint Investigation Teams	Offering Hungarian participation on the basis of the new law on mutual assistance in criminal matters (under elaboration)	Ministry of the Interior, National Police Headquarters, Ministry of Finance	Immediately	

Setting up an Europol counter-terrorist specialist team	Offering the secondment of a Hungarian liaison officer on the basis of the Europol-Hungary co-operation agreement	Ministry of the Interior, Ministry of Finance	after the entry into force of the Europol-Hungary co-operation agreement	
Improve operational police co-operation between Member states in the field of counter terrorist measures	Offering of Hungarian participation, appropriate measures in case of positive response	Ministry of the Interior, National Police Headquarters	Immediately	
Exchange of information on practical measures adopted to combat terrorism	Offering of sharing Hungarian experience, analysing EU experience	Ministry of the Interior, Ministry of Foreign Affairs	Immediately, continuously	
Annual Terrorism Situation and Trends Report to European Parliament	Offering Hungarian contribution	Ministry of the Interior	Immediately	
Approximation of legislation on surveillance of explosives, arms and on fire arms license where appropriate	Adoption of the law on arms, ammunition and shooting range	Ministry of the Interior, Ministry of Justice, Ministry of Economics, Ministry of Foreign Affairs	31.12.2001	The law on arms, ammunition and shooting range has been submitted to the Parliament
	Follow up of EU legislation and approximation of Hungarian legislation where appropriate		Ongoing	

Combat the financing of terrorism				
Autonomous Hungarian measures: (i) prohibition of opening of new anonymous savings deposit books, the existing ones will be converted into registered savings deposits; (ii) in the future, only registered securities may be issued and offered to the public in the form of series; (iii) new rules for identification of the beneficiary owner; (iv) stricter operational rules for currency exchange offices; only credit institutions and their agents may be authorised to provide such services; (v) registration of persons crossing the Hungarian border carrying more than HUF 1 million cash or the equivalent amount in foreign currency; (vi) further actions of the Government and the supervisory bodies, such as the Financial Intelligence Unit of the National Police Headquarters will be strengthened, the number of its staff will be significantly increased and internal policies, procedures and controls will be adopted; (vii) adoption of recommendations by the Gambling Supervision on the fight against money laundering; revision of recommendations already issued by the Hungarian Financial Supervisory Authority in order to bring them in line with the provisions of the draft law.				The draft law has been submitted to the Parliament in an accelerated procedure
Urgent ratification of UN Convention on the suppression of the financing of terrorism, implementing UN Security Council Resolution 1333	Signing of the Convention	Ministry of Foreign Affairs, Ministry of Justice, Ministry of Finance	31.12.2001	Effective implementation of UN Security Council Resolutions 1269, 1368, 1373
Securing a rapid adoption of the draft directive on the prevention of money laundering, as well as of the framework-decision on the execution of orders freezing assets or evidence, the scope of which should be extended to terrorist-related crimes	The provisions of the draft directive on the fight against money laundering will be implemented by the amendment of the Act on the prevention of money laundering	Ministry of Finance, Ministry of Justice, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	31.12.2001	The draft law has been submitted to the Parliament in an accelerated procedure
Broadening of the mandate of the Financial Action Task Force on money laundering so as to cover cases linked to terrorism	Providing information, follow-up	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	Continuously	
Updating the 40 FATF Recommendations on issues like the identification of customers	Providing information, follow-up	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	Continuously	

Adopting a pro-active and co-ordinated attitude on these matters in international forums (OECD, IMF,WB, etc.)	Providing information, follow-up, adaptation	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	Continuously	
Introducing measures against countries on the FATF list on non-co-operative countries	Providing information on the planned Hungarian measures to the FATF, the EU and their Member States	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	Continuously	
Paying particular attention to activities linked to terrorism in the framework of the draft directive on insider trading	Preparation for the harmonisation of the directive, stricter control of insider trading	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority	after the adoption of the directive	
The EU Banking Advisory Committee prepares a report on the insider trading activities of the terrorists before the attacks	Co-operation on request	Hungarian Financial Supervisory Authority	Continuously	
Strengthening the flow of information among the FIUs of the member states	Strengthening the conditions of co-operation	Ministry of Interior, Ministry of Finance	Continuously	
Border protection				
Autonomous Hungarian measures: The independent visa issuing competence was withdrawn and visa issuing is only possible with the approval of the Ministry of Foreign Affairs in Hungarian missions in countries of higher security risk Asylum and immigration procedures and related measures are applied with maximum rigour, Afghan nationals were separated from others in the community shelters, Strict rules are applied on leaving from and returning to community shelters and reception centres		Ministry of Foreign Affairs, Office of Immigration and Nationality	Ongoing	
Strengthen controls at the external borders	Strengthen controls at the external borders	Border Guards, Hungarian Customs and Finance Guard	Immediately	
Vigilance when issuing of identity documents and residence permits (particularly duplicates)	Vigilance when issuing and controlling of identity documents	Ministry of the Interior, Office of Immigration and Nationality, National Police Headquarters	Immediately	
Apply visa issuing procedures with the maximum rigour and step up local consular co-operation	Apply visa issuing procedures with the maximum rigour	Ministry of Foreign Affairs, Office of Immigration and Nationality	Immediately	

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Urgent examination of the situation in countries and regions where a risk of large scale population movements exists as a result of heightened tensions following the attacks on the US	Reinforcing Hungary's readiness for co-operation in the examination and in giving temporary protection	Ministry of the Interior, Office of Immigration and Nationality, Ministry of Foreign Affairs	Immediately	
Systematic input in SIS of alerts under Art 95, 96 and 99	Speeding up of systematic input in relevant Hungarian databases	Ministry of the Interior, National Law Enforcement Co-operation Centre, Border Guards, Hungarian Customs and Finance Guard	Continuously	
Civil protection				
Community mechanism in the field of the co-ordination of civil protection measures	Follow-up of the process, preparation for the implementation of the adopted measures	Ministry of the Interior	As soon as possible	
Directors General of Civil Protection to focus on the responses of civil protection authorities to major terrorist attacks inside and outside the EU	Offering Hungarian participation and co-operation	Ministry of the Interior	Immediately	
Improved EU-US co-operation				
Co-operation and consultations in all competent international forums, especially in the UN	Offering Hungarian co-operation	Ministry of Foreign Affairs	Immediately	
Streagthening civil aviation security				
Full implementation of all the key measures in Document No 30 of the ECAC and propose their review (access to airports, boarding on aircraft, baggage and cargo control, screening of passengers)	Introduction of those measures of Document No 30 of the ECAC that have not been implemented yet	Ministry of Transport and Water Management, Ministry of the Interior (Border Guard), Ministry of Finance (Hungarian Customs and Finance Guard)	Immediately and continuously	

Setting up an ad hoc multidisciplinary group, jointly chaired by the Commission and the Presidency of the Council for the following purposes: – to examine co-ordination and co-operation needs within the Union to guarantee the consistent introduction of security measures – to consider legislative initiatives for the same reason – to examine whether Community regulations are consistent with US legislation	Transposition of the measures introduced and the legislation adopted by the EU	Ministry of Transport and Water Management, Ministry of the Interior	Continuously	
Proposals to the ICAO Assembly, on 25 September 2001 to enhance co-operation and co-ordination and thus step up preventive measures and to the monitoring of implementation	Support the proposal and co-operate with the EU delegation to the Assembly	Ministry of Transport and Water Management	Immediately and continuously	
The European Council called upon the Transport Council to take the necessary measures to strengthen air transport security at its next meeting on 15 October. These measures shall cover in particular: – classification of weapons – technical training of crew – checking and monitoring of luggage – protection of cockpit access – quality control of security measure introduced by Member States	Transposition of the measures introduced and the legislation adopted by the EU	Ministry of Transport and Water Management, Ministry of the Interior, Ministry of Finance (Hungarian Customs and Finance Guard)	Continuously	
Political co-operation				
General Affairs Council was appointed as co-ordinating body of the fight against terrorism	An inter-ministerial committee was set up for the co-ordination of measures to be taken in relation to Hungary's accession to EU declaration on counter terrorist measures	Ministry of Foreign Affairs	Immediately	

Systematic evaluation of EU relations with third countries in the light of the support which those countries might give to terrorism	Follow-up of the evaluation process and the related measures, reconsideration of Hungary's relations with the countries concerned	Ministry of Foreign Affairs	Continuously	
Report for the General Affairs Council of 8 October 2001 on measures to be recommended to speed up the implementation of CFSP and JHA	Analysis of the report and preparation for measures to be taken	Ministry of Foreign Affairs, Ministry of Justice, Ministry of the Interior	As soon as possible	

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Letter dated 7 January 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

The Counter-Terrorism Committee has received the attached report from the Republic of Moldova, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I should be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Counter-Terrorism Committee

02-22989 (E) 080402

Annex

Letter dated 31 December 2001 from the Permanent Representative of the Republic of Moldova to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

On instructions from my Government, I hereby have the honour of enclosing the report of the Republic of Moldova on the implementation of United Nations Security Council resolution 1373 (2001) (see enclosure).

My Government stands ready to provide the Committee with further reports or information, as necessary or if requested to do so by the Committee.

(*Signed*) Ion **Botnaru**
Ambassador Extraordinary and Plenipotentiary
Permanent Representative to the United Nations

Enclosure

Report on the actions taken by the Government of the Republic of Moldova to implement United Nations Security Council resolution 1373 (2001)

(Chisinau, Republic of Moldova, 26 December 2001)

GENERAL PROVISIONS

The Republic of Moldova has strongly condemned the unprecedented terrorist attacks perpetrated against the United States on September 11, 2001, regarding them as crimes directed not only against the United States, but also as a crime against humanity, a direct challenge to the entire civilization and its fundamental values.

The Republic of Moldova has adhered to the anti-terrorist coalition and supports the efforts undertaken by the USA and the whole international community in fighting against terrorism. Moldova expressed its readiness to participate in this struggle, particularly by fully implementing all relevant resolutions of the General Assembly and of the Security Council, especially Security Council resolution 1373 (2001). The Republic of Moldova is also thoroughly implementing the international conventions against terrorism to which it is a party.

In condemnation of the terrorist attacks carried out on September 11, 2001, the Government of Moldova has taken a series of measures aimed at contributing to the success of the efforts of the international anti-terrorist coalition. Thus, in support of all the relevant resolutions of the UN Security Council and, especially, resolution 1373 (2001), the Government of Moldova has set in motion a mechanism of developing measures and institutions which is aimed to provide implementation of the internationally agreed anti-terrorist objectives.

Being aware of the complexity of the phenomenon of terrorism, the Republic of Moldova believes that for the most efficient outcome of the joint struggle against this scourge it is necessary to eliminate all initial roots and causes of all forms of the violent manifestation of political extremism. Among these hotbeds there are local conflicts, regional crises, separatism and regions controlled by secessionists' forces, which create favorable conditions for money laundering, illegal migration, smuggling, illegal drugs and arms traffic, etc. In other words, separatists' zones represent a safety environment for organized crime and could serve as an asylum for terrorist elements. Therefore this issue, alongside with the others, should be taken into consideration by the UN Security Council and United Nations member states in their common struggle against terrorism.

The purpose of the present Report is to share relevant information on measures being taken or contemplated by the Republic of Moldova to implement resolution 1373 (2001).

Actions taken

Since the events of September 11, 2001, the Republic of Moldova has undertaken the following actions:

1. Permanent Mission of the Republic of Moldova to the United Nations in New York signed on 25 September, 2001 a Joint Statement issued by the GUUAM States concerning condemnation of the terrorist attacks in the USA, as well as a Joint GUUAM – US Statement on terrorism, issued on 14 November, 2001.
2. The Ministry of Foreign Affairs of the Republic of Moldova published on 26 September, 2001 a statement regarding the adherence of Moldova to the International Anti-terrorist Coalition, expressing its readiness to bring all necessary contribution to the struggle against terrorism.
3. The Parliament of Moldova adopted on September 27, 2001 a special resolution on combating terrorism, whereby it expressed the necessity of consolidation of national relevant legislation and strengthening of concerned governmental institutions. This resulted in further adoption of the national Law No. 633-XV of

15.11.2001 on preventing and combating of money laundering, and of the Law No. 539-XV of 12.12.2001 on combating terrorism.

4. Moldovan Prime Minister signed on September 28, 2001 in Moscow a Joint Statement of the Heads of Governments of the CIS member states on the regional anti-terrorist co-operation.
5. The Moldovan National Supreme Security Council adopted on 6 October, 2001 Decision No. 02/5-03-02 on the support of the Anti-terrorist Coalition. This document reiterated, inter alia, the Government's resolve to establish relations of co-operation with all countries – members of the Coalition, to adhere to the relevant international conventions on combating of terrorism. The Decision also confirmed the permission for overflights and landing on national airports for any aircraft involved in anti-terrorist actions.
6. The Republic of Moldova signed on 26 October, 2001 in Antalya, Turkey a Statement of the Ministers of Foreign Affairs of the Organization of the Black Sea Economic Co-operation (BSEC) member states on joint measures in combating of international terrorism.
7. The Ministry of Foreign Affaires issued on October 29, 2001 a circular instruction addressed to all Moldovan diplomatic and consular missions abroad, regarding pledging Moldova's co-operation with other countries on fighting international terrorism, particularly requesting information on their national legislation and proper experience in this view.
8. The Government of the Republic of Moldova issued on November 1, 2001 a circular instruction concerning Guidelines on the Implementation and Proposals on the Implementation of the Security Council resolution 1373 (2001).

SPECIFIC MEASURES

Operative Paragraph 1

Sub-paragraph (a) – In its effort to prevent and suppress the financing of terrorist acts and terrorist organizations, the Ministry of Foreign Affairs has conveyed to the Ministry of Finance, the National Bank of Moldova and Information and Security Service of Moldova an urgent request of the USA Embassy in Moldova on blocking terrorist financial assets and implementing UN Security Council Resolution 1333 (2000). The above mentioned agencies were also provided with the current list of designated foreign terrorist organizations, lists of known individuals and entities associated with the terrorist attacks of September 11, 2001, and a questionnaire of the US Treasury on freezing concerned banking assets. During the follow-up investigation three personal accounts were discovered in one of the commercial banks in Chisinau, but they were inactive from the last year, having final sold as zero.

On November 15, 2001 the Parliament of the Republic of Moldova adopted the Law No. 633-XV on preventing and combating of money laundering, which put bases of preventing and fighting against the phenomenon of money laundering and defines principal notions in this matter. According to the Law provisions, the General Prosecutor's Office of Moldova effects its execution. Less then a month after the adoption of the Law special forms were drafted for declaring of suspicious transactions or those which outrun the limited amounts.

Sub-paragraph (b) – According to the latest completion of the Criminal Law, adopted by the Government on December 12, 2001, a new Paragraph – No. 63-1 – was added: "Financing or material support of terrorist acts":

"Offering or intentional collecting of means through various methods, direct or indirect, by citizens of the Republic of Moldova or other countries' citizens situated on the territory of the Republic of Moldova, with the aim of utilization of these means, or admission that these means will be used for the committing of terrorist acts – is sanctioned by the detention from 10 to 25 years with confiscation of means designated or used for the crime committing."

According to the Par. 2 of the Law on combating terrorism, one of the terrorist actions is considered as "financing of a terrorist organization or group, or providing them with other assistance". According to the Par. 22 of the same Law, "persons which were found guilty in committing of terrorist activity are responsible under legislation in force". Terrorist activities are charged by the Paragraphs 63-65 of the national Criminal Law.

At the same time, the Law on combating of terrorism, in its Par. 24 contains provisions on the responsibility of organizations for carrying on terrorist activities. Thus, "(1) Organization is considered as a terrorist one and is subject for liquidation only on the base of a Penal Court Decision. In case of the recognition of an organization as a terrorist one, all its property is confiscated for the benefit of state. (2) In case when a judicial instance recognized an international organization registered abroad as a terrorist one, its activity on the territory of the Republic of Moldova is forbidden, its office, branch or other representation is liquidated, and all premises and property are confiscated for the benefit of state".

Sub-paragraph (c) – According to the Par. 4 of the Law on preventing and combating of money laundering, "organizations which execute financial operations are forced... to suspend, under a decision of the General Prosecutor's Office, fulfillment of the suspicious financial operations for the period of 5 days, and regarding to those limited – till the adoption by the General Prosecutor's Office or by a Penal Court of a special decision on the concerned operation. In cases when a preliminary information is not possible, they have to inform the General Prosecutor's Office about suspicious or limited operations immediately after their performing".

Sub-paragraph (d) – The following acts and procedures are included in the Moldovan national legislation on prohibition of the activities listed in these sub-paragraphs:

1. Law No. 539-XV of 12.12.2001 on combating of terrorism;
2. Law No. 45-XIII of 12.04.1994 on intelligence investigation activity;
3. Law No. 618-XIII of 31.10.1995 on state security;
4. Law No. 619-XIII of 31.10.1995 on state security services;
5. Law No. 633-XV of 15.11.2001 on preventing and combating of money laundering;
6. Criminal Law of the Republic of Moldova;
7. Criminal Procedural Law of the Republic of Moldova.

The existent legal framework constitutes a solid legislative base for preventing, prohibition and punishment of the activities mentioned in this operative paragraph.

Operative Paragraph 2

Sub-paragraph (a) – According to the Par. 2 of the Law on combating of terrorism, terrorist activity also includes "recruitment, equipping, training and using of terrorists". According to the Par. 22 of the same Law, "persons guilty in committing of the terrorist activity are responsible under the legislation in force". Terrorist activities are charged by the Paragraphs 63-65 of the national Criminal Law.

Bearing in mind that elimination of the supply of weapons constitutes an integral element of anti-terrorist strategy worldwide, the Supreme Security Council of the Republic of Moldova has instructed the Ministry of Defense to inspect the security of the storage of arms, ammunition, and explosives. Unfortunately, inspection of the same stocks situated on the territory controlled by the separatists' anti-constitutional regime from the Trans-Dniestrian region of Moldova is impossible. Therefore, the Government of the Republic of Moldova needs international community assistance in withdrawal of Russian armament from this territory, in accordance with the decisions of the OSCE Summit in Istanbul of 1999. International assistance is also needed for inspection of some of the industrial plants in towns of Tiraspol, Bender and Ribnitsa where, according to intelligence sources, several types of modern armament and munitions are still produced and then sold to different conflict zones. Another particular problem represents also so named Unaccounted Equipment Limited by CFE (Conventional Forces in Europe) Treaty, with which the paramilitary forces of the trans-dniestrian secessionists' regime are equipped.

Sub-paragraph (b) – All activities on prevention of terrorist acts are conducted in Moldova in accordance with the provisions of the European Convention on the suppression of terrorism, to which Republic of Moldova became a party on 18.06.1999. After the adoption of the UN Security Council Resolution 1373 (2001) the Ministry of Interior and the Information and Security Service of Moldova have drawn up their institutional plans on preventing terrorist acts. In the context of preventing and early warning of terrorist acts relevant ministries and departments cooperate with their partners from other states. For example, the Government of Moldova has signed

bilateral agreements with governments of Turkey and Hungary on combating organized crime, corruption, terrorism and illegal drug traffic. The Ministry of Interior is a party to the Agreement on Co-operation of the Ministries of Interior of CIS countries on combating of terrorism, signed in September 2000 in Ceoplan-Aty, Kirghizstan.

Sub-paragraph (c) - In order to respect and provide an unavoidable character of the penal punishment, terrorists are extradited in accordance with relevant international conventions, or in conditions of reciprocity and being based on the penal court decision. On 14.05.1997 Moldova has ratified European Convention on Extradition, and on 21.06.2001 – both additional protocols to the Convention. Moldova also has signed a lot of bilateral and multilateral agreements on legal assistance and relationship on criminal law, which settle the procedures of extradition. In cases when foreign citizens or stateless persons can not be extradited or expelled, they will be judged on the territory of the Republic of Moldova in accordance with national Criminal Law.

According to the Constitution of the Republic of Moldova (Par. 19) and to the Law on the judicial statute of foreign citizens and stateless persons in the Republic of Moldova (Par. 3), these persons are obliged to respect the Constitution and other national laws.

Sub-paragraph (d) – Particularly dangerous crimes against the state, inclusively terrorist acts, committed against other states or citizens of other states are considered under the Paragraph 70 of the Criminal Law of the Republic of Moldova, with a punishment of 15-25 years of detention.

In the same time, the Law on combating of terrorism also defines a notion of the international terrorist activity. According to the Par. 2, international terrorist activity constitutes terrorist acts done:

"- by a terrorist, a group of terrorists or a terrorist organization on territories of 2 or more states, causing damages to the interests of these states;
- by citizens of one state against citizens of another state or on the territory of another state;
- in case when as a terrorist, as well as his victim are citizens of the same state or of different states, but the crime was produced outside of territories of these states".

Sub-paragraph (e) - According to the latest completion of the Criminal Law, adopted by the Government on December 12, 2001, previous measures of punishment for commission of terrorist acts of 10-20 years of detention with confiscation of property were substituted by new terms of 15-25 years of detention with confiscation of property.

After the adoption, on 12 December 2001, of the Law on combating of terrorism, the list of crimes, which could be considered as crimes with a terrorist character, was enlarged. Thus, according to the Par. 2 of the Law, crimes with a terrorist character are the following:

"- a crime which is accompanied with an attempt of illegal aircraft capture;
- a crime directed against the safety of civil aviation;
- a dangerous crime which constitutes an attempt on life, body integrity or freedom of internationally protected persons, including diplomatic agents;
- a crime aimed to the taking of hostages, kidnapping or illegal sequestration of persons;
- a crime committed with use of bombs, grenades, missiles, machine guns, by envelopes or parcels the use of which represents danger for persons;
- an attempt to commit one of the above mentioned crimes, or complicity to them or to an attempt to commit them".

Sub-paragraph (f) – See information on sub-paragraph (b) on international cooperation.

Sub-paragraph (g) – To prevent the movement of terrorists through border controls, the border defense measures have been increased since September 24, 2001, in accordance with the Decision of the National Supreme Security Council No. 02/5-03-01 on illegal migration and its impact on the national security. The border troops at all sections of the national border (except the Eastern one which is under control of the separatist anti-constitutional

Trans-Dniestrian regime) have upgraded their preparedness to increase defenses in cases of emergency. The above-mentioned Decision and the further one with the same subject, No. 02/5-03-03 of October 26, 2001 instructed all relevant governmental institutions and agencies to tighten the immigration control and control on import of goods and services at all border checkpoints. The Department of Border Troops has installed a computerized network at all border checkpoints, provided with a database of terrorists and persons under international search evidence. The database is regularly updated in co-operation with the National Interpol Office. The Ministry of Foreign Affairs coordinates the issuance of entry visas to Moldova for nationals from probable high-risk regions in co-operation with the Information and Security Service of the Republic of Moldova. Such crimes as counterfeiting, forgery or fraudulent use of identity papers and travel documents are considered in Moldova under the Par. 189 "Forgery of public acts" and Par. 209 "Counterfeiting or fraudulent use of fake documents, stamps, seals and printed forms" of the Criminal Law of the Republic of Moldova.

Operative Paragraph 3

Sub-paragraphs (a), (b), (c) – In view of the suppression of the international terrorism, intensification of the international and interstate co-operation, facilitation of the intensive and accelerated exchange of operational information the Republic of Moldova did already signed the following international instruments:

1. Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, adopted by the UNGA on 14 December 1973;
2. International Convention for the Suppression of the Financing of Terrorism, adopted by the UNGA on 9 December 1999;
3. Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963;
4. Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971;
5. Protocol on the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988;
6. Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March 1991;
7. Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on 16 December 1970;
8. Convention on the Physical Protection of Nuclear Material, signed at Vienna on 3 March 1980;
9. European Convention for the Suppression of Terrorism, done at Strasbourg on 27 January 1977;
10. Agreement on the Co-operation between the CIS member states in combating of criminality, signed at Moscow on 25 November 1998;
11. Agreement on the Co-operation between the CIS member states in combating of terrorism, signed at Minsk on 4 June 1999;
12. Decision on the Financing of the Activities of the Anti-Terror Center of the CIS member states, signed at Minsk on 30 November 2000;
13. Decision on the Anti-Terror Center of the CIS member states, signed at Minsk on 1 December 2000;

Moldova also has signed various bilateral and multilateral agreements on the suppression of the international terrorism.

Sub-paragraph (d) – In the context of further implementation of the resolution 1373 (2001), intensification of international co-operation and acceleration of the exchange of information, the Republic of Moldova intends to adhere, in very near future, to the following international instruments:

1. International Convention against the Taking of Hostages, adopted by the UNGA on 17 December 1979;
2. International Convention for the Suppression of Terrorist Bombings, adopted by the UNGA on 15 December 1997;
3. European Convention on the Legal Validity of the Judicial Decisions on Criminal Cases of 1970;
4. European Convention on the Conveyance of the Legal Procedure on Criminal Cases of 1972;
5. European Convention on the Compensation of the Victims of the Violent Crimes of 1983;
6. Agreement on the Co-operation of the CIS member states in combating of the illegal migration of 1998.

Having no access to the seacoast Moldova can not be a party to the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, done at Rome on 10 March 1988, and to the Rome Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf, done on 10 March 1988.

Sub-paragraph (e) – To implement the international conventions relating to terrorism, the Government has taken certain measures under the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, of December 14, 1973. Thus, the Ministry of Interior, in co-operation with the Information and Security Service and the Ministry of Foreign Affaires has strengthened the security of the premises of diplomatic missions and of international organizations located in Moldova.

Sub-paragraphs (f), (g) – On 23 November 2001 Moldova has adhered to the Geneva Convention on the Statute of Refugees of 1951 and the Protocol on the Statute of Refugees of 1967. Now, a national Law on the Statute of Refugees is in the process of preparation, where all legal and administrative procedures relevant to these sub-paragraphs are expected to be stipulated. Actually, all the requests from asylum seekers are thoroughly checked by the competent public administration institutions. According to the Par. 24 of the draft of the above mentioned Law: "The statute of refugee can not be granted to a foreigner which:

a) committed a crime against peace, humanity or a war crime as it is considered by the international conventions to which the Republic of Moldova is a party;
b) committed intentionally on the territory of the Republic of Moldova, before or after his (her) request for asylum, a crime which is charged by the Criminal Law with a penal punishment of more then a 3 years of detention, or committed outside the country a dangerous crime under the common law;
c) committed an action contrary to the UN Chart;
d) represents, through his (her) behavior or membership of a certain organization or group, a threat to the national security and/or public order.".

REQUEST FOR ASSISTANCE

The Government of the Republic of Moldova believes that in course of the implementation of Security Council resolution 1373 (2001) Moldova would need advise and technical assistance, especially with regard to the training needs, requests of special equipment, access to the modern international database on persons, groups and organizations involved in terrorist activities.

If the CTC would need the texts of the Moldovan legislation and administrative acts mentioned in this reports, it could be provided through the Moldovan contact point.

The Government of Moldova is prepared to work with the Member States, the United Nations, including the CTC of the Security Council, to fight any and all manifestations of international terrorism.

Annex

REPORT
of the National Bank of the Republic of Moldova on measures of preventing of the financing of terrorist acts and terrorist organizations
(26 December 2001)

At present the banking legislation foresees provisions on fighting and preventing money laundering, provided in art. 23 of the Law on Financial Institutions (LFI).

According to the mentioned article, banks must not hide, convert or transfer money or other values, knowing that these come from criminal activities, in order to hide their illegal source nor assist individuals involved in such activities so to avoid legal consequences of their actions.

At the same time banks must inform the competent authorities on the facts, which denote that money or other values originate from criminal activities, in compliance with the legislation in force.

NBM developed a range of regulations on the supervision and regulation of banks' business, which provide prudential measures and require banks to act in compliance with the legislation in force and to respect the art. 23 of the LFI.

Thus, the National Bank of Moldova has developed and approved the Recommendations on the internal control systems in commercial banks on November 9, 1998.

One of the main goals of this paper is to ensure the respect of the legislation and the regulations in force by financial institutions, including when effecting transactions on customers' bank accounts.

In compliance with the mentioned Recommendations banks must develop internal control procedures in all business areas, including:

- Internal policies on functions, obligations and responsibilities of the personnel, the reporting and communicating lines;
- Policies, practices and accounting procedures;
- Policies on the daily operational control procedures, computerized and manual, the allowed limits, the documentation on the book keeping and the control systems;
- Identifying, reporting policies and solving the found breaches;
- Staff training programs on the implementation of internal policies, etc.

In compliance with the Manual on the on-site controls, approved by the NBM on February 12, 1999 there were established procedures applied by the NBM staff within the on-site controls. In compliance with this Manual the supervisors must verify whether banks are applying appropriate principles for determining the customers' identity and designate particular compliance staff. Banks must develop and implement due diligence principles, considering their competence and the primary documents already in place at the bank. Within the supervision process and the on-site controls the NBM checks the existence and appropriateness of internal programs on preventing money laundering, which include internal control policies and procedures, as well as staff training programs. The internal program on preventing money laundering allows analyzing and assessing promptly the activities that may have illegal origin.

In case of failing to implement and obey these policies, as well as failing to report the suspicious transactions to the law enforcement authorities, the NBM imposes remedial measures and submits the corresponding information to the law enforcement authorities. As a good example could serve the recent measures imposed by the NBM on certain banks, which require banks to implement concrete procedures of determining suspicious operations, to designate certain individuals that would report such operations etc. At the same time the NBM has warned the banks' administration and it has suspended certain activities (foreign exchange transactions)

of these banks that were find to be risky, and has submitted the concerned materials to the General Office of Public Prosecutor and the Ministry of Internal Affaires.

Furthermore, in order to improve the internal control systems of banks, currently the NBM is drafting a Regulation intended to detail the necessary procedures to be taken by banks in order to comply with the Law on the prevention and fight of money laundering. At present are improved the NBM policies on remedial measures and sanctions enforced by the NBM against commercial banks in case of failure to comply with the prudential requirements.

At the same time on 20.01.2000 entered in force the NBM Regulation on opening and closing bank accounts that has replaced for supervisory reasons a former NBM regulation of 23.07.92. These standard acts regulate the ways of opening, modifying and closing bank accounts in Moldovan Lei and/or foreign currency at commercial banks, including the opening of current accounts for resident and non-resident legal entities, the opening of current accounts for resident and non-resident individuals, the opening of deposit accounts and "Loro" accounts. Each legal entity or individual may open several accounts in Moldovan Lei or foreign currency in any bank of Moldova regardless its administrative-territorial location, by submitting the necessary documents for opening the respective accounts and following the legal framework.

The documents that must be submitted when opening an account should be kept in separate files and should allow the bank to establish the identity of its customers. Thus, when opening an account must be submitted the identifying documents, the papers that confirm the right to perform business activities, the IRS registration certificate, the registration certificate at the State Registration Chamber, the authorized persons to manage the entity's business, the foundation agreements, the by-law, the license, the central bank's authorization of the corresponding country when opening bank accounts for a foreign bank etc. Within the performed on-site controls during this year there were found certain failures to comply with the mentioned regulation at three examined banks and there were imposed corrective measures.

Regarding the statement that the NBM does not verify the good reputation of investors and their proper juridical files we would like to mention the following.

Art. 15 of the Law on Financial Institutions and the NBM Regulation on holding significant interest in banks' capital from November 29, 1996 provides that the transfer of a share in the bank's capital is allowed only with the written permission of the National Bank, if as a result a single person or a group of related persons will hold directly or indirectly a significant interest in the bank's capital. Up to November this year a significant interest was considered to be 10 % and more. In order to strengthen the banking supervision and take into account the EU Directive 2000/12/CE of the European Parliament and of the Council of March 20, 2000 relating to the taking up and pursuit of the business of credit institutions there were operated appropriate modifications to this law and it was established an additional requirement to obtain the NBM's permission in case when the increase of such interest shall attain or exceed the limits of 25%, 33% and 50%. At present there are under preparation the modifications of the Regulation on holding significant interest in the bank's capital, in order to implement these legal provisions within the supervision process.

Thus, the NBM, based on these regulations, grants the written permission only if it is completely sure that the bank shall fulfill all the requirements of the Law on Financial Institutions and the requirements in force, e.g.:

- The good reputation of the applicant and of its administrators, including within its business or professional activity for the last ten years;
- The source of money used for acquiring shares;
- The lack of penal antecedents of applicants and the presence of a proper juridical file;
- The report and the independent audit firm's opinion as well as the annual audited financial reports for the last three years, etc.

In case of failure to comply with the requirements set in the NBM Regulation on holding significant interest in the bank's capital (including the failure to comply with the above mentioned requirements), the NBM refuses the application to hold a significant interest in the bank's capital. Thus, during 2000 – 2001 NBM has analyzed

six applications to hold significant interest in a bank's capital, one of which was rejected because of non-compliance of the potential shareholders with the prudential criteria of the NBM.

At the same time, in compliance with the Regulation on banks' licensing the NBM approves only those shareholders, which background and financial situation correspond to the mentioned criteria, and create sufficient prerequisites for a prudent functioning of the bank in compliance with the legislation in force. Moreover, the ownership structure and the origin of the initial capital are thoroughly examined within the licensing procedure.

After issuing the NBM Regulation on holding significant interest in the bank's capital (on 29.11.1996), the NBM systematically examines the banks' shareholders within the performed on-site controls in order to establish whether they are related or not and their compliance with the art. 15 of the Law on Financial Institutions and the Regulation on holding significant interest in the bank's capital.

In case of noticing a failure to comply with the mentioned requirements, the NBM imposes sanctions and remedial measures in order to bring to full compliance the banks' business with the legislation in force and the NBM regulations. For example, at present there are in force the remedial measures taken against two banks on their significant shareholders. Moreover in case when the transaction on transferring a significant interest in a bank's capital was effected without the written permission of the NBM, this transaction is not valid and thus it is refused the registration of modifications to the bank's statute and the change of capital, the shareholders' change and their interest in the bank's capital, etc.

For example, in 2000 within the complex controls in a certain commercial bank there were found a number of groups of connected parties that hold significant shares in the bank's capital without the NBM permission. As a result, the NBM has obliged the bank to conform its activity to the NBM requirements and obtain the NBM approval of those shares or to replace the named quotas, thus the NBM has refused the registration of the share issuance and correspondingly the modification of capital and shareholders' interests in the bank's capital till the fulfillment of these NBM requirements. Another example of enforced measures of the NBM in this area is the approval by the Supreme Court of Justice on 5.12.01 of the enforced NBM requirements on significant interests that were not fulfilled because the named bank's management refused to comply.

Referring to the rules of keeping the banks' documents related to their business we would like to mention that beside the general established rules by the State Archive for all enterprises, at present it is in force the official policy of the NBM of 25.10.97 on the banks' files, which determines the terms for keeping the documents related to the identity of customers and their transactions. Thus, there are provided requirements on keeping the documents related to the credit portfolio for 5 years; keeping the documents of founders and the money placed in the banks' capital – on a permanent basis; the daily documents – 3 years; book of customers' accounts – 5 years etc.

It is necessary to mention that all the regulations of the NBM that refer to the anti-money laundering were developed with the assistance of foreign advisors (IMF, Barents Group – KPMG Consulting – USAID, DeNederlandsche Bank, GTZ etc.) and aim to the compliance of the banking supervision with the "Core principles of the effective banking supervision" of the Basel Committee.

Recently (in May 2001) at the NBM's request on February 5, 2001 addressed to the USAID, it was obtained the technical assistance and it was effected the assessment of the NBM's activity in compliance with the Core Principles Methodology of the Basel Committee by the Barents Group.

Thus, Barents Group has assessed the NBM's compliance, including with the 15th principle, which refers to the prevention of money laundering. After the evaluation it was mentioned that the NBM examines the existence and the adequacy of banks' policies on: preventing and finding criminal activities or frauds; establishing the identity of customers and of those that act on their behalf; identifying the suspicious transactions; determining the individuals with high decisional powers; reporting to the bank's management the suspicious transactions; reporting to the competent authorities; sanctioning the personnel in case of failing to comply with these procedures; performing the internal control by the auditing committee of the bank. In case of absence of such procedures that include at least the requirements mentioned above, the NBM requires banks to develop and implement such procedures.

After assessing the NBM's compliance with the 15th principle it was noticed that 2 of the 11 essential criteria provided in this principle are fully respected by the NBM, seven of them are partially fulfilled and two are not respected.

It is necessary to mention that those 2 not respected criteria refer to the obligation of banks to report the suspicious activities that essentially affect the bank's stability or reputation to the NBM, and the fact that laws, regulations and/or banks' policies ensure that a member of staff who reports suspicious transactions in good faith to the dedicated senior officer, internal security function, or directly to the relevant authority cannot be held liable. However the NBM takes actions in order to comply with these two criteria. Thus, the commercial banks were obliged to submit to the NBM the information on suspicious transactions that could lead to an essential negative influence on the bank's financial situation (e.g., banks are required to report on a monthly basis the transactions that could essentially influence their financial situation). The internal policies of banks provide the compliance personnel. At the same time the labor legislation provides certain sanctions that may be imposed on such individuals in case of failing to fulfill their obligations and the banking legislation provides sanctions enforced on bank's management in case of failure to fulfill the legal provisions and the prudential principles established by the NBM.

Referring to those 5 additional criteria provided in the 15th principle that refer to the presence of a specific law on anti-money laundering, the training of the banks' personnel in order to respect this law, the obligation of the supervisory authority to submit the information on suspicious transactions and criminal activities established as such according to this law, these criteria were considered to be not applicable at that time because it was not yet approved the law on fighting and preventing money laundering. However, I would like to mention that till present the legal framework did not allow to widely implement the mechanism of preventing and fighting against money laundering, because there were not yet established the features of the suspicious transactions, the appropriate authority to receive and process the respective information. This problem was solved recently, as on November 15, 2001 it was approved the Law on preventing and fighting against money laundering, which describes the parameters that may precisely determine the suspicious transactions and establishes the authority in charge (The General Office of Public Prosecutor) of receiving and processing the information. Recently, in order to implement this law, including the drafting of the reporting blank on suspicious transactions, the General Office of Public Prosecutor has started the formation of a work group in which participate two of the NBM's experts.

In this relation we would like to mention that considering the approved law at present we are working on the improvement of requirements on the internal control systems of banks and thus, it was developed the draft NBM Regulation on preventing and fighting against money laundering by commercial banks and at the same time we are improving the NBM's policies on the on-site controls as well as the enforced sanctions on banks. Additionally, we would like to mention that the named law clearly provides the training of the banks' staff on preventing and fighting against money laundering, and determining suspicious transactions, reporting such transactions, as well as the responsibilities of the proper authorities, including the NBM's attributions for submitting the information to the General Office of Public Prosecutor about the suspicious and criminal activities, effected through commercial banks.

Within this context I would like to mention that the current banking and financial legislation provides stipulations that regulate banking secrecy: the limits of banking secrecy are set in Art. 22 of the Law on Financial Institutions. According to this Article, the present and past administrators, employees and agents of a bank are required to keep secret, and not to use for personal gain or gain by other that the bank that they serve or have served, or permit to be examined by others, any information that they obtained in the course of their service to the bank.

At the same time, the information classified as commercial secret may be disclosed to NBM, NBM inspectors, accounting experts, the Court of Accounts, judicial and investigating authorities. Thus, the Law provides the access of judicial and investigating authorities to the banking and financial data and grant them the possibility to find financial means determined as object of money laundering operations.

Further on, Art. 36 of the Law on the National Bank of Moldova stipulates provisions on holding information considered as commercial secrecy obtained during the performance of NBM duties. Simultaneously,

this Article provides that data classified as NBM commercial secret may be disclosed in certain cases, including at the request of judicial authorities and of foreign supervision authorities of financial institutions.

According to the above-mentioned Laws, the information determined as commercial secret is submitted in accordance with the current relevant legislation. The Code of Criminal Procedure (Art. 90) provides the backgrounds and reasons of trial institution, including: declarations, letters, notifications, and publications in mass media that denote signs of infraction. Thus, the information submitted systematically by the National Bank and the commercial banks of the Republic of Moldova allow the investigatory authorities to open trial records and, when necessary, to require from commercial banks any information relevant to these records.

The Law on Prevention and Control of Money Laundering of 15.11.2001 derogates to the legislation of commercial secrecy and grants the investigatory authorities and the fiscal and financial control bodies the right to require from commercial banks any documents and information on clients' transactions if there are signs of suspect operations.

With the view to implementing the stipulations of above-mentioned legislation, the commercial banks and the National Bank closely cooperate with investigatory, judicial and other authorities involved in the process of money laundering preventing and control. More detailed information on NBM collaboration with these bodies follows.

Our arguments in this regard are as follows. In conformity with the stipulations of the Activity Plan of the Banking Prudential Supervision Development Program for 1999 worked out with the IMF assistance, on 27.04.99 the National Bank addressed to a number of state authorities with the view to establishing formal collaboration relationship in the filed of supervising the fulfillment by commercial banks of legal stipulations, including the control on integration in the banking system of persons with doubtful past (criminal or other) and of money means gained following illegal operations. Thus, we have addressed to the following institutions: the Supreme Court of Justice of the Republic of Moldova, the Ministry of Internal Affairs of the Republic of Moldova, the Central National Bureau "Interpol", the Economic Court of the Republic of Moldova, the Principal Fiscal State Inspectorate.

In this letter, with the view to preventing illegal intrusion in the banking system of the Republic of Moldova of legal and natural persons, residents or non-residents of the Republic of Moldova, and to adopting due decisions on banking licensing, bank administrators' acceptance and granting of permission to hold substantial share in banking capital, the National Bank of Moldova required the assistance of the above-mentioned institutions in providing information on investigated persons on the followings: evidence of criminal antecedents; participation as subject at insolvability processes and further non-exemption from debt repayment; legally determined withdrawal of the right to sit in the Council; evidence of financial fraud; evidence of tax avoidance; any other information held by these authorities on the reputation of the investigated person in business circles; and evidence of financial and administrative problems at previous working places.

The readiness and availability to cooperate was expressed by the Ministry of Internal Affairs, the Central National Bureau "Interpol" and the Principal Fiscal State Inspectorate.

At the same time we would like to inform you that on 23.05.2001, following the implementation of the Law on Enterprises' State Registration, the National Bank issued a letter to the Chamber of State Registration in which proposed for acceptance a collaboration procedure to register financial institutions, their branches and representative offices and to modify the documentation of banking business establishment. This measure is directed towards the settlement of an efficient cooperation that would allow both authorities to supervise and to prevent the illegal intrusion in the banking system of natural and legal persons.

NBM is also cooperating with all the state authorities during the controls of commercial banks and submit relevant information at state request or on own initiative.

For example, we may mention the cooperation between the National Bank and the Ministry of Internal Affairs of the Republic of Moldova in the period of 2000 to 2001.

Thus, NBM performed 8 thematic controls at the commercial banks of the Republic of Moldova upon the request of MIA subdivisions. The copies of these reports were sent to the address of all mentioned institutions. On NBM initiative and with supervision purposes, 16 copies of these documents were sent to the Ministry of Internal Affairs and the Department of Organized Crime Control. NBM sent also other information on any violation of current legislation by bank managers, including the performance of suspicious large transactions by these banks' clients.

Within the examination of documents submitted with the view to approving candidates for the position of commercial bank administrator in accordance with the Regulation on Requirements towards Administrators and upon NBM request, the Ministry of Internal Affairs provided information about judicial records on 179 persons. The Central National Bureau "Interpol" of MIA furnished upon NBM request data about evidence of financial fraud and tax avoidance, evidence of previous criminal antecedents, evidence about the participation as subject at insolvability processes and further non-exemption from debt repayment on 7 persons non-residents of the Republic of Moldova.

NBM furnished to different units of MIA and of the Department for Corruption and Organized Crime Control of MIA the copies of all statutes and their modifications, the internal regulations and the lists of commercial banks' administrators. Upon MIA request, NBM has examined the modifications and completion of two laws and of two regulations worked out by MIA and informed MIA about related ultimate results. Also upon MIA request, the National Bank delegated two employees to provide consulting services in examining a number of doubtful transactions with state securities deposited at a commercial bank from Moldova.

NBM employees were permanently present at the meetings of MIA working groups and of other state institutions with the view to consulting on issues related to money laundering.

The National Bank has also efficiently cooperated with other legal authorities of the Republic of Moldova, including the General Prosecutor's Office and judicial bodies.

Within this context, I would like to mention that on November 15th, 2001 the Parliament adopted the Law on Money Laundering Control and Prevention no. 633-XV. This Law sets the procedure to perform and register limited and suspicious financial operations, the capacities of authorities responsible for money laundering control and the international cooperation in this field. The Law obliged the commercial banks as follows: to work out internal control procedures and measures, including the appointment of bank managers responsible for the conformance of bank policies and procedures to this Law; to work out a continuous program of staff training; and to report to the Central Prosecutor's Office about suspicious or irrational operations. The Law clearly states the characteristics of suspicious transactions, allowing thus the banks to independently determine whether performed operations may be classified as suspicious ones. When registering signs of such operations, the banks are obliged to fulfill a special form, indicating all the data about the relevant client and submit this form to the General Prosecutor's Office. The Law determines also the attributions of authorities that control the legitimacy of operations performed by financial institutions. The Law enlarged the responsibilities of different institutions, including NBM, involved in money laundering prevention. Thus, all these institutions must submit to the General Prosecutor's Office information on legal and natural persons practicing money-laundering activities and on suspicious transactions found out during controls.

Currently the National Bank works out internal and external procedures targeted to implement the Law stipulations.

Leonid TALMACI
GOVERNOR

United Nations S/2002/34

Security Council

Distr.: General
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Letter dated 7 January 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

The Counter-Terrorism Committee has received the attached report from the Organization for Security and Cooperation in Europe (OSCE) on the matters covered by resolution 1373 (2001).

I would be grateful if you could arrange for this letter and its attachment to be circulated as a document of the Security Council (see annex).

(*Signed*) Jeremy Greenstock
Chairman
Counter-Terrorism Committee

02-22966 (E) 090402

BEST COPY AVAILABLE

Annex

Letter dated 21 December 2001 from the Secretary General of the Organization for Security and Cooperation in Europe (OSCE) addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

I am pleased to submit to the Security Council Counter-Terrorism Committee a report on OSCE positions and activities with regard to resolution 1373 (2001) (see enclosure). From the time of establishment of the OSCE (then CSCE), the organization has recognized the problem of terrorism and has paid increasing attention to it. These efforts cumulated at the Ninth Meeting of the Ministerial Council, held from 3 to 4 December 2001, at which a decision and a comprehensive plan of action for combating terrorism were adopted (see appendix).

As part of this Plan of Action, I was instructed to provide this report: "The Secretary General will, by 27 December 2001, report to the United Nations Counter-Terrorism Committee on action on combating terrorism taken by the OSCE ...". Attached you will find the report, structured according to the format and guidance developed by the Counter-Terrorism Committee (SCA/20/01(6)).

I am also happy to inform the Committee that from 13 to 14 December the Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening the Comprehensive Efforts to Counter Terrorism took place and adopted a Declaration, as well as a Programme of Action (attached). This conference, convened at the invitation of Kyrgyzstan, was jointly organized by the OSCE and UN ODCCP. Over 300 participants attended, representing 54 States, including some non-OSCE countries, as well as international, regional and subregional organizations and institutions. The success of this conference highlighted once more the importance of a concerted multifaceted and comprehensive effort in countering terrorism.

I would like to request that the report be circulated as a document of the Security Council.

(*Signed*) Jan Kubis

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Enclosure

OSCE

Organization for Security and Co-operation in Europe

The Secretary General **Vienna, 19 December 2001**

Report to the Counter-Terrorism Committee with regard to the implementation of resolution 1373 (2001)

As requested, the report has been formatted so that responses correspond to the relevant paragraph or subparagraph of resolution 1373 (2001). The excerpts are selected from OSCE official documents, see below, and key words are indicated in bold.

SUMMIT DOCUMENTS

Charter of Paris For A New Europe (1990)
CSCE Helsinki Document (1992)
Budapest Summit Declaration (1994)
Lisbon Summit Declaration (1996)
Istanbul summit declaration (1999)
Charter for European Security (Istanbul, 1999)

MINISTERIAL COUNCIL DOCUMENTS

Concluding Document of the Madrid Meeting (11 November 1980 to 9 September 1983)
Decision on a Common and Comprehensive Security Model for Europe for the Twenty-First Century: A New Concept for a New Century (Budapest, 1995)
The Bucharest Plan of Action for Combating Terrorism (Bucharest, 2001)

OSCE FOLLOW-UP CONFERENCES

Concluding Document of the Vienna Meeting 1986 (Vienna, 4 November 1986 to 19 January 1989)

OSCE CONFERENCES

Document of the Stockholm Conference on CSBMs and Disarmament in Europe Convened in Accordance with the Relevant Provisions of the Concluding Document of the Madrid Meeting of the CSCE (17 January 1984 to 19 September 1986)
Bishkek International Conference on Enhancing Security and Stability in Central Asia 13-14 December 2001 - Programme of Action

FORUM FOR SECURITY CO-OPERATION

FSC.DEC/4/98, 8 July 1998, Annex
FSC.DOC/1/00, OSCE Document on Small Arms and Light Weapons

PARLIAMENTARY ASSEMBLY

Vienna Declaration of the OSCE Parliamentary Assembly, (July 1994)
Copenhagen Declaration of the OSCE Parliamentary Assembly (July 1998)

Operative Paragraph 1

Sub-paragraph (1a)

Charter For European Security (Istanbul, 1999)

I. OUR COMMON CHALLENGES
(...)
4. **International terrorism, violent extremism, organized crime and drug trafficking represent growing challenges to security. Whatever its motives, terrorism in all its form and manifestations is unacceptable. We will enhance our efforts to prevent the preparation and financing of any act of terrorism on our territories and deny terrorists safe havens. The excessive and destabilizing accumulation and uncontrolled spread of small arms and light weapons represent a threat to peace and security. We are committed to strengthening our protection against these new risks and challenges; strong democratic institutions and the rule of law are the foundation for this protection. We are also determined to co-operate more actively and closely with each other to meet these challenges.**
(...)

Concluding Document of the Madrid Meeting
(11 November 1980 to 9 September 1983)
Principles

The participating States confirm that they will refrain from direct or indirect assistance to terrorist activities or to subversive or other activities directed towards the violent overthrow of the regime of another participating State. Accordingly, they will refrain, inter alia, from financing, encouraging, fomenting or tolerating any such activities.

Ministerial Council Bucharest 2001
Decision No. 1 Combating Terrorism
The Bucharest Plan of Action for Combating Terrorism

The 55 participating States of the OSCE stand united against terrorism, a scourge of our times.

The OSCE participating States resolutely condemn the barbaric acts of terrorism that were committed against the United States on 11 September 2001. They represented an attack on the whole of the international community, and on people of every faith and culture. These heinous deeds, as well as other terrorist acts in all forms and manifestations, committed no matter when, where or by whom, are a threat to international and regional peace, security and stability. There must be no safe haven for those perpetrating, financing, harbouring or otherwise supporting those responsible for such criminal acts. Terrorism, whatever its motivation or origin, has no justification.

7. Participating States: Will consider how the OSCE may draw upon best practices and lessons learned from other relevant groups, organizations, institutions and fora in areas such as police and judicial co-operation; prevention and suppression of the financing of terrorism; denial of other means of support; border controls including visa and document security; and access by law enforcement authorities to information.

Bishkek International Conference
Programme of Action
13–14 December 2001

5. *To work* **toward rapid ratification and implementation of relevant international instruments**, including the 1999 UN International Convention for the Suppression of the Financing of Terrorism, and consider implementing the standards of financial accountability and transparency embodied in the Financial Action Task Force (FATF) 40 Recommendations on Money Laundering and eight Special Recommendations on Terrorist Financing; to take immediate steps in accordance with UN Security Council Resolution 1373 (2001), to block the assets of individuals and entities linked to terrorist financing;

III. Additional Needs

Considering that the Central Asian region is a neighbour to Afghanistan and that it requires support, also in connection with threats originating from Afghanistan, participants from both inside and outside Central Asia, pleaded that special efforts should be made by the international community to provide technical and financial assistance on the basis of comprehensive national and regional programmes of action, in the following areas:

2. *To encourage* **sustainable economic development** by, *inter alia*, fostering co-operation between national banks in the region as well as within international banking structures, in order to support on the one hand, economic processes, including the attraction of foreign investment, and, on the other hand, to enhance their capacity to control money laundering and to suppress the financing of terrorism;

Sub-paragraph (1 c)

Ministerial Council Bucharest 2001
Decision No. 1 Combating Terrorism
The Bucharest Plan of Action for Combating Terrorism

24. **Suppressing the financing of terrorism.** Participating States: Will, within the framework of the United Nations Convention on the Suppression of Financing of Terrorism and UNSCR 1373 (2001), take action to prevent and suppress the financing of terrorism, criminalize the wilful provision or collection of funds for terrorist purposes, and freeze terrorist assets also bearing in mind UNSCR 1267 (1999). Will, in accordance with their domestic legislation and obligations under international law, provide early response to requests for information by another participating State and relevant international organizations.

Bishkek International Conference
Programme of Action
13–14 December 2001

4. *To adopt* **national anti-money laundering legislation and create corresponding structures**, e.g. Financial Intelligence Units, which can be employed to prevent and suppress the financing of terrorism, as well as other relevant crimes. In this connection, the participants drew the attention of the international community to the importance of providing assistance, upon request, to States in developing relevant national legislative and administrative tools;

Operative Paragraph 2

Sub-paragraph (2a)

Charter For European Security (Istanbul, 1999)

I. OUR COMMON CHALLENGES

(...)

4. International terrorism, violent extremism, organized crime and drug trafficking represent growing challenges to security. Whatever its motives, terrorism in all its form and manifestations is unacceptable. We will enhance our efforts to prevent the preparation and financing of any act of terrorism on our territories and deny terrorists safe havens. The excessive and destabilizing accumulation and **uncontrolled spread of small arms** and light weapons represent a threat to peace and security. We are committed to strengthening our protection against these new risks and challenges; strong democratic institutions and the rule of law are the foundation for this protection. We are also determined to co-operate more actively and closely with each other to meet these challenges.

(...)

OSCE Document on Small Arms and Light Weapons

(...)

SECTION III: COMBATING ILLICIT TRAFFICKING IN ALL ITS ASPECTS: COMMON EXPORT CRITERIA AND EXPORT CONTROLS

A2 (b) Each participating State will avoid issuing licences for exports where it deems that there is a clear risk that the small arms in question might:

(...)

(ix) Support or encourage terrorism;"

(...)

Ministerial Council Bucharest 2001
Decision No. 1 Combating Terrorism
The Bucharest Plan of Action for Combating Terrorism

8. The participating States will also use the Forum for Security Co-operation (FSC) to strengthen their efforts in combating terrorism through full and timely implementation of all relevant measures agreed by the OSCE. To this end they will enhance implementation of existing politico-military commitments and agreements, in particular the Code of Conduct on Politico-Military Aspects of Security and the **Document on Small Arms and Light Weapons** (SALW).

21. Secretariat: Will assist participating States, on their request, through measures to combat trafficking in human beings, drugs and **small arms and light weapons,** in accordance with relevant Permanent Council decisions, and will undertake efforts to assist in facilitating increased border monitoring, where appropriate. Will further assist participating States, on the request and with their agreement, through provision of advice and assistance on restructuring and/or reconstruction of police services; monitoring and training of existing police services, including human rights training; and capacity building, including support for integrated or multi-ethnic police services. Will, to this end, reinforce its existing police-related activities in conflict prevention, crisis management and post-conflict rehabilitation.

Bishkek International Conference
Programme of Action
13–14 December 2001

8. *To prevent* the destabilising accumulation and uncontrolled spread and illicit trafficking of **small arms and light weapons** (SALW). In this context, the experiences from the implementation of the OSCE Document on Small Arms and Light Weapons, as well as from a series of national training workshops in all five OSCE participating States of Central Asia on combating trafficking and the stockpile management of SALW, should be taken into account. In addition, states are encouraged to actively participate in the regional seminar to be held in the spring of 2002 in Almaty. Moreover, the OSCE Conflict Prevention Centre is encouraged to develop further activities in the implementation of the aforementioned OSCE document;

Sub-paragraph (2b)

Vienna Declaration of the OSCE Parliamentary Assembly (July 1994)

60. Condemning terrorism in all forms and urging **international co-operation** to combat such terrorism and to bring about peaceful solutions to problems of minorities of all countries;

Decision on a Common and Comprehensive Security Model for Europe for the Twenty-First Century: A New Concept for a New Century (Budapest, 1995)

ANNEX

The Chairman-in-Office will organize the work in the following areas. These areas are indicative only and set no priorities:

- conflict prevention, including **early warning** and preventive diplomacy
- crisis management and post-conflict rehabilitation
- OSCE peacekeeping
- arms control, including confidence-building
- **enhanced co-operation** in preventing and combating terrorism

OSCE Document on Small Arms and Light Weapons

SECTION V: **EARLY WARNING**, CONFLICT PREVENTION, CRISIS MANAGEMENT AND POST-CONFLICT REHABILITATION
(...)
1. The problem of small arms should be an integral part of the OSCE's wider efforts in early warning, conflict prevention, crisis management and post-conflict rehabilitation. The destabilizing accumulation and uncontrolled spread of small arms are elements which can impede conflict prevention, exacerbate conflicts and, where peaceful settlements have been attained, impede both peace-building and social and economic development. In some cases, it may contribute to a breakdown in order, fuel terrorism and criminal violence or lead to a resumption of conflict. This section sets out the norms, principles and measures which the participating States agree to follow. (...)

CSCE Helsinki Document (1992)

The CSCE and the management of change

26. We restate our unreserved condemnation of all acts, methods and practices of terrorism. We are determined to enhance our co-operation to eliminate this threat to security, democracy and human rights. To this end, we will take measures to prevent in our territories criminal activities that support acts of terrorism in other States. We will

encourage exchange of information concerning terrorist activities. We will seek further effective avenues for co-operation as appropriate. We will also take the necessary steps at a national level to fulfil our international obligations in this field.

Concluding Document of the Vienna Meeting 1986
(Vienna, 4 November 1986 to 19 January 1989)

The participating States also expressed concern about the spread of terrorism and condemned it unreservedly.

(10.2) - to reinforce and develop bilateral and multilateral co-operation among themselves in order to prevent and combat terrorism as well as to increase efficiency in existing co-operation at the bilateral level or in the framework of groups of States including, as appropriate, through the **exchange of information;**

Copenhagen Declaration of the OSCE Parliamentary Assembly (July 1998)

51.3 Consider a role for the OSCE with regard to new threats to security, such as: international crime, terrorism, extremism, local conflicts, environmental disasters and nuclear risks, to develop appropriate Confidence and Security Building Measures and **co-operate closely with other organizations** in these areas;

FSC.DEC/4/98, 8 July 1998
Annex

Information exchange on the Code of Conduct on politico-military aspects of security

Participating States will supply relevant information (including documents where appropriate) on the following items:

1. Appropriate measures to prevent and combat terrorism, in particular participation in international agreements to that end.

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2. In contribution to the world-wide efforts to combat terrorism, the OSCE will seek to add value on the basis of the specifics of the Organization, its strengths and comparative advantages: its comprehensive security concept linking the politico-military, human and economic dimensions; its broad membership; its experience in the field; and its expertise in **early warning**, conflict prevention, crisis management, post-conflict rehabilitation and building democratic institutions. In addition, many effective counter-terrorism measures fall into areas in which the OSCE is already active and proficient, such as police training and monitoring, legislative and judicial reform, and border monitoring.

8. The participating States will also use the Forum for Security Co-operation (FSC) to strengthen their efforts in combating terrorism through full and timely implementation of all relevant measures agreed by the OSCE. To this end they will enhance implementation of existing politico-military commitments and agreements, in particular the Code of Conduct on Politico-Military Aspects of Security and the Document on Small Arms and Light Weapons (SALW).

The FSC will examine the relevance of its other documents to the fight against terrorism, and will assess whether there is a need to develop additional norms and measures. The Security Dialogue may serve as a suitable basis for regular consultations on these issues within the FSC.

The participating States will submit responses to the Code of Conduct Questionnaire that provide further transparency on international, regional and national commitments in combating terrorism, especially relevant United Nation conventions and resolutions. The FSC will consider ways to fully implement the Document on SALW, *inter alia* Section V on **early warning,** conflict prevention, crisis management, and post-conflict rehabilitation. The FSC will examine the possibility of enhancing transparency on national marking systems, exports and imports, and national stockpile management and security procedures, primarily by reviewing the information thus exchanged and developing best practice guides. The follow-up conference on the Code of Conduct and the SALW workshop, both of which will take place in 2002, could further enhance the application of these documents in combating terrorism.

11. **Promoting human rights, tolerance and multi-culturalism**: Participating States/Permanent Council/ODIHR/High Commissioner on National Minorities (HCNM)/Representative on Freedom of the Media: Will promote and enhance tolerance, co-existence and harmonious relations between ethnic, religious, linguistic and other groups as well as constructive co-operation among participating States in this regard. Will **provide early warning** of and appropriate responses to violence, intolerance, extremism and discrimination against these groups and, at the same time, promote their respect for the rule of law, democratic values and individual freedoms. Will work to ensure that persons belonging to national minorities have the right freely to express, preserve and develop their ethnic, cultural, linguistic or religious identity.

14. **Preventing violent conflict and promoting peaceful settlement of disputes**: Drawing on all its capacities, the OSCE will continue and intensify work aimed at **early warning** and appropriate response, conflict prevention, crisis management and post-conflict rehabilitation; will strengthen its ability to settle conflicts; will increase efforts to find lasting solutions to unresolved conflicts, including through promotion of the rule of law and crime prevention in such conflict zones through increased co-operation with the United Nations, the European Union and other international organizations; and will further develop its rapid deployment capability (REACT) in crisis situations.

18. ODIHR: Will, on request by interested participating States and where appropriate, offer technical assistance/advice on the implementation of international anti-terrorism conventions and protocols as well as on the compliance of this legislation with international standards, in accordance with Permanent Council decisions, and will seek co-operation with other organizations, especially the UNODCCP, to this end. Will consider facilitating contacts between national experts to **promote exchange of information** and best practices on counter-terrorism legislation.

20. Permanent Council: Will consider arranging **regular meetings** of law enforcement officials of participating States and, where applicable, of OSCE experts with relevant experience in the field to exchange best practices and ways of improving co-operation.

28. Participating States/Secretariat: Will strengthen co-operation and **information exchanges,** both formally and informally, with other relevant groups, organizations, and institutions involved in combating terrorism. Will strengthen co-operation with the European Union on analysis and **early warning** and reinforce synergy with the Stability Pact for South Eastern Europe and the Central European Initiative in areas relevant to combating terrorism. Will promote dialogue within the OSCE area on issues relating to new threats and challenges. Will broaden dialogue with partners outside the OSCE area, such as the Mediterranean Partners for Co-operation and Partners for Co-operation in Asia, the Shanghai Co-operation Organization, the Conference on Interaction and Confidence- Building Measures in Asia, the Organization of the Islamic Conference, the Arab League, the African Union, and those States bordering on the OSCE area to exchange best practices and lessons learned in counter-terrorism efforts for application within the OSCE area.

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2. *To enhance* **national interagency co-operation** between anti-terrorist agencies and agencies fighting crime, including drug trafficking, by an exchange of operational information between such agencies and law enforcement authorities charged with combating terrorism;

3. *To foster* **regional and international co-operation** between anti-terrorist agencies and agencies fighting crime, including the trafficking of arms and illicit drugs, e.g. in the form of the establishment of channels of communication between relevant agencies; to suggest to the OSCE Permanent Council to consider convening in Vienna a special expert meeting, with the participation of representatives of law enforcement bodies, arranged by the OSCE while inviting the UN as a co-organiser;

III. Additional Needs
Considering that the Central Asian region is a neighbour to Afghanistan and that it requires support, also in connection with threats originating from Afghanistan, participants from both inside and outside Central Asia, pleaded that special efforts should be made by the international community to provide technical and financial assistance on the basis of comprehensive national and regional programmes of action, in the following areas:

3. *To undertake* **joint training and operational activities** in various areas, including training of specialists and considering the provision of appropriate equipment and technologies; and

4. *To **strengthen*** **the capacity** of governmental institutions to combat terrorism, organized crime and illicit drugs.

Sub-paragraph (2c)

Charter For European Security (Istanbul, 1999)
OUR COMMON CHALLENGES
(...)
4. International terrorism, violent extremism, organized crime and drug trafficking represent growing challenges to security. Whatever its motives, terrorism in all its form and manifestations is unacceptable. We will enhance our efforts to prevent the preparation and financing of any act of terrorism on our territories and deny terrorists **safe havens**. The excessive and destabilizing accumulation and uncontrolled spread of small arms and light weapons represent a threat to peace and security. We are committed to strengthening our protection against these new risks and challenges; strong democratic institutions and the rule of law are the foundation for this protection. We are also determined to co-operate more actively and closely with each other to meet these challenges.

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The 55 participating States of the OSCE stand united against terrorism, a scourge of our times.

The OSCE participating States resolutely condemn the barbaric acts of terrorism that were committed against the United States on 11 September 2001. They represented an attack on the whole of the international community, and on people of every faith and culture. These heinous deeds, as well as other terrorist acts in all forms and manifestations, committed no matter when, where or by whom, are a threat to international and regional peace, security and stability. There must be no **safe haven** for those perpetrating, financing, harbouring

or otherwise supporting those responsible for such criminal acts. Terrorism, whatever its motivation or origin, has no justification.

Sub-paragraph (2d)

Concluding Document of the Madrid Meeting
(11 November 1980 to 9 September 1983)

(...) Concern was also expressed as to the spread of terrorism.

Principles
(...)
The participating States condemn terrorism, including terrorism in international relations, as endangering or taking innocent human lives or otherwise jeopardizing human rights and fundamental freedoms and emphasize the necessity to take resolute measures to combat it. They express their determination to take effective measures for the prevention and suppression of acts of terrorism, both at the national level and through international co-operation including appropriate bilateral and multilateral agreements, and accordingly to broaden and reinforce mutual co-operation to combat such acts. They agree to do so in conformity with the Charter of the United Nations, the United Nations Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States and the Helsinki Final Act.

In the context of the combat against acts of terrorism, they will take all appropriate measures in preventing their **respective territories** from being used for the preparation, organization or commission of terrorist activities, including those directed against other participating States and their citizens. This also includes measures to prohibit on their territories illegal activities of persons, groups and organizations that instigate, organize or engage in the perpetration of acts of terrorism.

Concluding Document of the Vienna Meeting 1986
(Vienna, 4 November 1986 to 19 January 1989)

The participating States also expressed concern about the spread of terrorism and condemned it unreservedly.

(10.3) - to **prevent on their territories** illegal activities of persons, groups or organizations that instigate, organize or engage in the perpetration of acts of terrorism or subversive or other activities directed towards the violent overthrow of the regime of another participating State;

Document of the Stockholm Conference on CSBMs and Disarmament in Europe Convened in Accordance with the Relevant Provisions of the Concluding Document of the Madrid Meeting of the CSCE
(17 January 1984 to 19 September 1986)

REFRAINING FROM THE THREAT OR USE OF FORCE

25) They emphasize the necessity to take resolute measures to prevent and to combat terrorism, including terrorism in international relations. They express their determination to take effective measures, both at the national level and through international co-operation, for the prevention and suppression of all acts of terrorism. They will take all appropriate measures in preventing their **respective territories** from being used for the preparation, organization or commission of terrorist activities. This also includes measures to prohibit on their territories illegal activities, including subversive activities, of persons, groups and organizations that instigate, organize or engage in the perpetration of acts of terrorism, including those directed against other States and their citizens.

CSCE Helsinki Document (1992)

The CSCE and the management of change

26. We restate our unreserved condemnation of all acts, methods and practices of terrorism. We are determined to enhance our co-operation to eliminate this threat to security, democracy and human rights. To this end, we will take measures to prevent in our territories criminal activities that support acts of terrorism in other States. We will encourage exchange of information concerning terrorist activities. We will seek further effective avenues for co-operation as appropriate. We will also take the necessary steps at a national level to fulfil our international obligations in this field.

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19. Supporting law enforcement and fighting organized crime: Participating States: Noting the close connection between terrorism and transnational organized crime, illicit trafficking in drugs, money laundering and illicit arms trafficking, will take the necessary steps to prevent in their territory illegal activities of persons, groups or organizations that instigate, finance, organize, facilitate or engage in perpetration of acts of terrorism or other illegal activities directed at the violent overthrow of the political regime of another participating State. Will afford one another the greatest measure of assistance in providing information in connection with criminal investigations or criminal extradition proceedings relating to terrorist acts, in accordance with their domestic law and international obligations.

Sub-paragraph (2e)

Budapest Summit Declaration (1994)
Code of Conduct on Politico-Military Aspects of Security
Preamble

6. The participating States will not support terrorist acts in any way and will take appropriate measures to prevent and combat terrorism in all its forms. They will co-operate fully in combating the threat of terrorist activities through implementation of international instruments and commitments they agree upon in this respect. They will, in particular, take steps to fulfil the requirements of international agreements by which they are bound to prosecute or extradite terrorists.

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19. Supporting law enforcement and fighting organized crime: Participating States: Noting the close connection between terrorism and transnational organized crime, illicit trafficking in drugs, money laundering and illicit arms trafficking, will take the necessary steps to prevent in their territory illegal activities of persons, groups or organizations that instigate, finance, organize, facilitate or engage in perpetration of acts of terrorism or other illegal activities directed at the violent overthrow of the political regime of another participating State. Will afford one another the greatest measure of assistance in providing information in connection with criminal investigations or criminal extradition proceedings relating to terrorist acts, in accordance with their domestic law and international obligations.

Sub-paragraph (2g)

OSCE Document on Small Arms and Light Weapons

(...)

SECTION III: COMBATING ILLICIT TRAFFICKING IN ALL ITS ASPECTS: COMMON EXPORT CRITERIA AND EXPORT CONTROLS

A2 (b) Each participating State will avoid issuing licences for exports where it deems that there is a clear risk that the small arms in question might:

(...)

(ix) Support or encourage terrorism;"

(...)

Ministerial Council Bucharest 2001
Decision No. 1 Combating Terrorism
The Bucharest Plan of Action for Combating Terrorism

2. In contribution to the world-wide efforts to combat terrorism, the OSCE will seek to add value on the basis of the specifics of the Organization, its strengths and comparative advantages: its comprehensive security concept linking the politico-military, human and economic dimensions; its broad membership; its experience in the field; and its expertise in early warning, conflict prevention, crisis management, post-conflict rehabilitation and building democratic institutions. In addition, many effective counter-terrorism measures fall into areas in which the OSCE is already active and proficient, such as police training and monitoring, legislative and judicial reform, and border monitoring.

7. Participating States: Will consider how the OSCE may draw upon best practices and lessons learned from other relevant groups, organizations, institutions and fora in areas such as police and judicial co-operation; prevention and suppression of the financing of terrorism; denial of other means of support; border controls including visa and document security; and access by law enforcement authorities to information.

21. Secretariat: Will assist participating States, on their request, through measures to combat trafficking in human beings, drugs and small arms and light weapons, in accordance with relevant Permanent Council decisions, and will undertake efforts to assist in facilitating increased border monitoring, where appropriate. Will further assist participating States, on the request and with their agreement, through provision of advice and assistance on restructuring and/or reconstruction of police services; monitoring and training of existing police services, including human rights training; and capacity building, including support for integrated or multi-ethnic police services. Will, to this end, reinforce its existing police-related activities in conflict prevention, crisis management and post-conflict rehabilitation.

26. Preventing movement of terrorists: Participating States: Will prevent the movement of terrorist individuals or groups through effective border controls and controls on issuance of identity papers and travel documents, as well as through measures for ensuring the security of identity papers and travel documents and preventing their counterfeiting, forgery and fraudulent use. Will apply such control measures fully respecting their obligations under international refugee and human rights law. Will, through the proper application of the exclusion clauses contained in the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol, ensure that asylum is not granted to persons who have participated in terrorist acts. Will provide for the timely detention and prosecution or extradition of persons charged with terrorist acts, in accordance with their obligations under international and national law.

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III. Additional Needs
Considering that the Central Asian region is a neighbour to Afghanistan and that it requires support, also in connection with threats originating from Afghanistan, participants from both inside and outside Central Asia, pleaded that special efforts should be made by the international community to provide technical and financial assistance on the basis of comprehensive national and regional programmes of action, in the following areas:

1. *To strengthen* the capacities of Central Asian states to control their borders and to prevent border crossing by terrorist and organised crime groups, by taking into account the situation in Afghanistan with specific regard to illicit drugs, without impeding the normal flow of trade and free movement of people;

Operative Paragraph 3

Sub-paragraph (3a)

Lisbon Summit Declaration (1996)

2. We face serious challenges, but we face them together. They concern the security and sovereignty of States as well as the stability of our societies. Human rights are not fully respected in all OSCE States. Ethnic tension, aggressive nationalism, violations of the rights of persons belonging to national minorities, as well as serious difficulties of economic transition, can threaten stability and may also spread to other States. Terrorism, organized crime, drug and **arms trafficking**, uncontrolled migration and environmental damage are of increasing concern to the entire OSCE community

Istanbul Summit Declaration (1999)

14. We share the concerns expressed by the participating States in Central Asia regarding international terrorism, violent extremism, organized crime and drug and **arms trafficking**. We agree that national, regional and joint action by the international community is necessary to cope with these threats, including those stemming from areas neighbouring the OSCE participating States. We further recognize the importance of addressing economic and environmental risks in the region, such as issues related to water resources, energy and erosion. We are convinced that strengthening regional co-operation will promote stability and security in Central Asia, and we welcome the active approach taken by the Chairman-in-Office to this effect.

Charter For European Security (Istanbul, 1999)

OUR COMMON CHALLENGES
(...)
4. International terrorism, violent extremism, organized crime and drug trafficking represent growing challenges to security. Whatever its motives, terrorism in all its form and manifestations is unacceptable. We will enhance our efforts to prevent the preparation and financing of any act of terrorism on our territories and deny terrorists safe havens. The excessive and destabilizing accumulation and **uncontrolled spread of small arms and light weapons** represent a threat to peace and security. We are committed to strengthening our protection against these new risks and challenges; strong democratic institutions and the rule of law are the foundation for this protection. We are also determined to co-operate more actively and closely with each other to meet these challenges.
(...)

OSCE Document on Small Arms and Light Weapons
(...)
SECTION III: COMBATING ILLICIT TRAFFICKING IN ALL ITS ASPECTS: COMMON EXPORT CRITERIA AND EXPORT CONTROLS

A2 (b) Each participating State will avoid issuing licences for exports where it deems that there is a clear risk that the small arms in question might:
(...)
(ix) Support or encourage terrorism;"
(...)

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8. The participating States will also use the Forum for Security Co-operation (FSC) to strengthen their efforts in combating terrorism **through full and timely implementation of all relevant measures** agreed by the OSCE. To this end they will enhance implementation of existing politico-military commitments and agreements, in particular the Code of Conduct on Politico-Military Aspects of Security and the Document on Small Arms and Light Weapons (SALW).

The FSC will examine the relevance of its other documents to the fight against terrorism, and will assess whether there is a need to develop additional norms and measures. The Security Dialogue may serve as a suitable basis for regular consultations on these issues within the FSC.

The participating States will submit responses to the Code of Conduct Questionnaire that provide further transparency on international, regional and national commitments in combating terrorism, especially relevant United Nation conventions and resolutions. The FSC will consider ways to fully implement the Document on SALW, *inter alia* Section V on early warning, conflict prevention, crisis management, and post-conflict rehabilitation. The FSC will examine the possibility of enhancing transparency on national marking systems, exports and imports, and national stockpile management and security procedures, primarily by reviewing the information thus exchanged and developing best practice guides. The follow-up conference on the Code of Conduct and the SALW workshop, both of which will take place in 2002, could further enhance the application of these documents in combating terrorism.

19. **Supporting law enforcement and fighting organized crime:** Participating States: Noting the close connection between terrorism and transnational organized crime, illicit trafficking in drugs, money laundering and illicit arms trafficking, will take the necessary steps to prevent in their territory illegal activities of persons, groups or organizations that instigate, finance, organize, facilitate or engage in perpetration of acts of terrorism or other illegal activities directed at the violent overthrow of the political regime of another participating State. Will afford one another the greatest measure of assistance in **providing information** in connection with criminal investigations or criminal extradition proceedings relating to terrorist acts, in accordance with their domestic law and international obligations.

21. Secretariat: Will assist participating States, on their request, through measures to combat trafficking in human beings, drugs and **small arms and light weapons**, in accordance with relevant Permanent Council decisions, and will undertake efforts to assist in facilitating increased border monitoring, where appropriate. Will further assist participating States, on the request and with their agreement, through provision of advice and assistance on restructuring and/or reconstruction of police services; monitoring and training of existing police services, including human rights training; and capacity building, including support for integrated or multi-ethnic police services. Will, to this end, reinforce its existing police-related activities in conflict prevention, crisis management and post-conflict rehabilitation.

26. **Preventing movement of terrorists**: Participating States: **Will prevent the movement of terrorist individuals or groups through effective border controls and controls on issuance of identity papers and travel documents, as well as through measures for ensuring the security of identity papers and travel documents and preventing their counterfeiting, forgery and fraudulent use. Will apply such control measures fully respecting their obligations under international refugee and human rights law. Will, through the proper application of the exclusion clauses contained in the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol, ensure that asylum is not granted to persons who have participated in terrorist acts. Will provide for the timely detention and prosecution or extradition of persons charged with terrorist acts, in accordance with their obligations under international and national law.**

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3. *To foster* **regional and international co-operation between anti-terrorist agencies and agencies fighting crime, including the trafficking of arms and illicit drugs, e.g. in the form of the establishment of channels of communication between relevant agencies; to suggest to the OSCE Permanent Council to consider convening in Vienna a special expert meeting, with the participation of representatives of law enforcement bodies, arranged by the OSCE while inviting the UN as a co-organiser;**

8. *To prevent* **the destabilising accumulation and uncontrolled spread and illicit trafficking of small arms and light weapons (SALW). In this context, the experiences from the implementation of the OSCE Document on Small Arms and Light Weapons, as well as from a series of national training workshops in all five OSCE participating States of Central Asia on combating trafficking and the stockpile management of SALW, should be taken into account. In addition, states are encouraged to actively participate in the regional seminar to be held in the spring of 2002 in Almaty. Moreover, the OSCE Conflict Prevention Centre is encouraged to develop further activities in the implementation of the aforementioned OSCE document;**

Sub-paragraph (3b)

Ministerial Council Bucharest 2001
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2. **In contribution to the world-wide efforts to combat terrorism, the OSCE will seek to add value on the basis of the specifics of the Organization, its strengths and comparative advantages: its comprehensive security concept linking the politico-military, human and economic dimensions; its broad membership; its experience in the field; and its expertise in early warning, conflict prevention, crisis management, post-conflict rehabilitation and building democratic institutions. In addition, many effective counter-terrorism measures fall into areas in which the OSCE is already active and proficient, such as police training and monitoring, legislative and judicial reform, and border monitoring.**

7. Participating States: **Will consider how the OSCE may draw upon best practices and lessons learned from other relevant groups, organizations, institutions and fora in areas such as police and judicial co-operation; prevention and suppression of the financing of terrorism; denial of other means of support; border controls including visa and document security; and access by law enforcement authorities to information.**

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9. *To prevent and to combat* terrorism by **increasing co-operation** in the fields of **human rights and fundamental freedoms** and by **strengthening the rule of law** and the building of democratic institutions, based in part, on the funding of relevant programmes of the UN as well as the OSCE;

10. *To enhance* the capacity of **the judiciary** to deal with all aspects of terrorism and related crime, including by the provision of relevant expertise and training so as further strengthen the independence and impartiality of the judiciary;

Sub-paragraph (3c)

Charter of Paris For a New Europe (1990)

We unreservedly condemn, as criminal, all acts, methods and practices of terrorism and express our determination to work for its eradication both **bilaterally** and through **multilateral** co-operation. We will also join together in combating illicit trafficking in drugs.
Annex I

Concluding Document of the Madrid Meeting
(11 November 1980 to 9 September 1983)

(...) Concern was also expressed as to the spread of terrorism.

Principles
(...)
The participating States condemn terrorism, including terrorism in international relations, as endangering or taking innocent human lives or otherwise jeopardizing human rights and fundamental freedoms and emphasize the necessity to take resolute measures to combat it. They express their determination to take effective measures for the prevention and suppression of acts of terrorism, both at the national level and through international co-operation including appropriate **bilateral and multilateral agreements**, and accordingly to broaden and reinforce mutual co-operation to combat such acts. They agree to do so in conformity with the Charter of the United Nations, the United Nations Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States and the Helsinki Final Act.

Concluding Document of the Vienna Meeting 1986
(Vienna, 4 November 1986 to 19 January 1989)

The participating States also expressed concern about the spread of terrorism and condemned it unreservedly.

(9) They express their determination to work for the eradication of terrorism both **bilaterally and through multilateral co-operation**, particularly in such international fora as the United Nations, the International Civil Aviation Organization and the International Maritime Organization and in accordance with the relevant provisions of the Final Act and the Madrid Concluding Document

(10.2) - to reinforce and develop **bilateral and multilateral co-operation** among themselves in order to prevent and combat terrorism as well as to increase efficiency in existing co-operation at the bilateral level or in the framework of groups of States including, as appropriate, through the exchange of information;

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The OSCE participating States pledge to reinforce and develop **bilateral and multilateral co-operation** within the OSCE, with the United Nations and with other international and regional organizations, in order to combat terrorism in all its forms and manifestations, wherever and by whomever committed. As a regional arrangement under Chapter VIII of the Charter of the United Nations, the OSCE is determined to contribute to the fulfilment of international obligations as enshrined, *inter alia*, in United Nations Security Council resolution 1373 (2001), and will act in conformity with the purposes and principles of the Charter of the United Nations. The OSCE participating States pledge to become parties to all 12 United Nations conventions and protocols related to terrorism as soon as possible. They call for a speedy finalization of negotiations for a Comprehensive United Nations Convention on International Terrorism.

Goal of the Action Plan

1. Terrorism is a threat to international peace and security, in the OSCE area as elsewhere. The OSCE stands ready to make its contribution to the fight against terrorism in close co-operation with other organizations and fora. This contribution will be consistent with the Platform for Co-operative Security and will benefit from interaction between global and regional anti-terrorism efforts under the aegis of the United Nations. The OSCE participating States commit their political will, resources and practical means to the implementation of their obligations under existing international terrorism conventions and pledge themselves to intensify national, **bilateral and multilateral efforts** to combat terrorism.

16. **Strengthening national anti-terrorism legislation**: Participating States: Will commit themselves to implementing all the obligations they have assumed under relevant conventions and protocols relating to terrorism as well as the United Nations Convention against Transnational Organized Crime and its additional protocols, sharing information and methods in this regard and considering ways and means of co-operation in implementation at bilateral, OSCE-wide and sub-regional meetings.

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6. *To have countries gather* **information on**, and **engage in the analysis of, criminal activities** carried out for the purposes of furthering terrorism, as well as collect and update relevant information on terrorism and related activities. Subject to bilateral or multilateral agreements, such information could also be shared with appropriate international bodies and other countries;

Sub-paragraph (3d)

Concluding Document of the Vienna Meeting 1986
(Vienna, 4 November 1986 to 19 January 1989)

The participating States also expressed concern about the spread of terrorism and condemned it unreservedly.

(10.6) - to consider becoming parties, if they have not yet done so, to the relevant **international conventions** relating to the suppression of acts of terrorism;

Ministerial Council Bucharest 2001
Decision No. 1 Combating Terrorism
The Bucharest Plan of Action for Combating Terrorism

The OSCE participating States pledge to reinforce and develop bilateral and multilateral co-operation within the OSCE, with the United Nations and with other international and regional organizations, in order to combat terrorism in all its forms and manifestations, wherever and by whomever committed. As a regional arrangement under Chapter VIII of the Charter of the United Nations, the OSCE is determined to contribute to the fulfilment of international obligations as enshrined, *inter alia*, in United Nations Security Council resolution 1373 (2001), and will act in conformity with the purposes and principles of the Charter of the United Nations. The OSCE participating States pledge **to become parties to all 12 United Nations conventions and protocols** related to terrorism as soon as possible. They call for a speedy finalization of negotiations for a Comprehensive United Nations Convention on International Terrorism.

Goal of the Action Plan

1. Terrorism is a threat to international peace and security, in the OSCE area as elsewhere. The OSCE stands ready to make its contribution to the fight against terrorism in close co-operation with other organizations and fora. This contribution will be consistent with the Platform for Co-operative Security and will benefit from interaction between global and regional anti-terrorism efforts under the aegis of the United Nations. The OSCE participating States commit their political will, resources and practical means to the implementation of their obligations under existing **international terrorism conventions** and pledge themselves to intensify national, bilateral and multilateral efforts to combat terrorism.

International legal obligations and political commitments

4. United Nations conventions and United Nations Security Council resolutions (UNSCR) constitute the global legal framework for the fight against terrorism. UNSCR 1269 (1999), 1368, 1373 and 1377 (2001), along with the 12 relevant United Nations conventions and protocols on anti-terrorism issues, provide the basis for this framework and include a number of specific elements of combating terrorism. In addition, a range of OSCE documents, including Summit declarations from Helsinki to Istanbul, spell out the OSCE's commitment to fight terrorism, in accordance with the Charter of the United Nations. The **widest and most comprehensive participation** in and implementation of existing instruments and commitments to combat terrorism by the participating States must be pursued and ensured.

5. Participating States: Pledge themselves to apply efforts **to become parties to all 12 United Nations conventions and protocols relating to terrorism, by 31 December, 2002**, if possible, recognizing the important role that parliamentarians may play in ratification and other anti-terrorism legislative processes. States are encouraged to inform the Permanent Council of steps taken in this regard. Will participate constructively in the ongoing negotiations at the United Nations on a Comprehensive Convention against International Terrorism and an International Convention for the Suppression of Acts of Nuclear Terrorism, with a view to their early and successful conclusion.

6. Office for Democratic Institutions and Human Rights (ODIHR): Will, on formal request by interested participating States and where appropriate, offer technical assistance/advice on legislative drafting necessary for **the ratification of international instruments**, in close co-operation with other organizations, including the United Nations Office for Drug Control and Crime Prevention (UNODCCP).

8. The participating States will also use the Forum for Security Co-operation (FSC) to strengthen their efforts in combating terrorism through **full and timely implementation of all relevant measures agreed by the OSCE**. To this end they will enhance implementation of existing politico-military commitments and agreements, in particular the Code of Conduct on Politico-Military Aspects of Security and the Document on Small Arms and Light Weapons (SALW).

The FSC will examine the relevance of its other documents to the fight against terrorism, and will assess whether there is a need to develop additional norms and measures. The Security Dialogue may serve as a suitable basis for regular consultations on these issues within the FSC.

The participating States will submit responses to the Code of Conduct Questionnaire that provide further transparency on international, regional and national commitments in combating terrorism, especially relevant United Nation conventions and resolutions. The FSC will consider ways to fully implement the Document on SALW, *inter alia* Section V on early warning, conflict prevention, crisis management, and post-conflict rehabilitation. The FSC will examine the possibility of enhancing transparency on national marking systems, exports and imports, and national stockpile management and security procedures, primarily by reviewing the information thus exchanged and developing best practice guides. The follow-up conference on the Code of Conduct and the SALW workshop, both of which will take place in 2002, could further enhance the application of these documents in combating terrorism.

16. **Strengthening national anti-terrorism legislation**: Participating States: Will commit themselves to implementing all the obligations they have assumed under relevant conventions and protocols relating to terrorism as well as the **United Nations Convention against Transnational Organized Crime** and its additional protocols, sharing information and methods in this regard and considering ways and means of co-operation in implementation at bilateral, OSCE-wide and sub-regional meetings.

18. ODIHR: Will, on request by interested participating States and where appropriate, offer technical assistance/advice on the **implementation of international anti-terrorism** conventions and protocols as well as on the compliance of this legislation with international standards, in accordance with Permanent Council decisions, and will seek co-operation with other organizations, especially the UNODCCP, to this end. Will consider facilitating contacts between national experts to promote exchange of information and best practices on counter-terrorism legislation.

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5. *To work* **toward rapid ratification and implementation of relevant international instruments**, including the 1999 UN International Convention for the Suppression of the Financing of Terrorism, and consider implementing the standards of financial accountability and transparency embodied in the Financial Action Task Force (FATF) 40 Recommendations on Money Laundering and eight Special Recommendations on Terrorist Financing; to take immediate steps in accordance with UN Security Council Resolution 1373 (2001), to block the assets of individuals and entities linked to terrorist financing;

II: Measures to Combat and Prevent Terrorism
Taking into account the commitments of the OSCE participating States, as reflected in the Bucharest Plan of Action and in line with Section VII of the Plan of Action for the implementation of the Vienna Declaration, the following measures were identified:

1. *To request* OSCE and ODCCP to enhance **synergy and coordination** in providing necessary assistance. In this regard, initiatives of UN/ODCCP and OSCE/ODIHR, such as organizing regional and sub-regional workshops for the promotion of the ratification and **implementation of international conventions** are strongly encouraged. The crucial role of parliaments, in particular, in the ratification process, is also to be taken into account as is the role of the OSCE Parliamentary Assembly in encouraging dialogue among parliamentarians;

III. Additional Needs
Considering that the Central Asian region is a neighbour to Afghanistan and that it requires support, also in connection with threats originating from Afghanistan, participants from both inside and outside Central Asia,

pleaded that special efforts sho .d be made by the international community to provide technical and financial assistance on the basis of comprehensive national and regional programmes of action, in the following areas:

5. *To consider* providing such financial and other assistance also with a view to facilitate the ratification and implementation of the relevant international conventions.

Sub-paragraph (3e)

Ministerial Council Bucharest 2001
Decision No. 1 Combating Terrorism
The Bucharest Plan of Action for Combating Terrorism

4. United Nations conventions and United Nations Security Council resolutions (UNSCR) constitute the global legal framework for the fight against terrorism. UNSCR 1269 (1999), 1368, 1373 and 1377 (2001), along with the 12 relevant United Nations conventions and protocols on anti-terrorism issues, provide the basis for this framework and include a number of specific elements of combating terrorism. In addition, a range of OSCE documents, including Summit declarations from Helsinki to Istanbul, spell out the OSCE's commitment to fight terrorism, in accordance with the Charter of the United Nations. The widest and most comprehensive participation in and implementation of existing instruments and commitments to combat terrorism by the participating States must be pursued and ensured.

24. **Suppressing the financing of terrorism.** Participating States: Will, within the framework of the United Nations Convention on the Suppression of Financing of Terrorism and UNSCR 1373 (2001), take action to prevent and suppress the financing of terrorism, criminalize the wilful provision or collection of funds for terrorist purposes, and freeze terrorist assets also bearing in mind UNSCR 1267 (1999). Will, in accordance with their domestic legislation and obligations under international law, provide early response to requests for information by another participating State and relevant international organizations.

Sub-paragraph (3f)

Ministerial Council Bucharest 2001
Decision No. 1 Combating Terrorism
The Bucharest Plan of Action for Combating Terrorism

26. **Preventing movement of terrorists:** Participating States: Will prevent the movement of terrorist individuals or groups through effective border controls and controls on issuance of identity papers and travel documents, as well as through measures for ensuring the security of identity papers and travel documents and preventing their counterfeiting, forgery and fraudulent use. Will apply such control measures fully respecting their obligations under international refugee and human rights law. Will, through the proper application of the exclusion clauses contained in the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol, ensure that asylum is not granted to persons who have participated in terrorist acts. Will provide for the timely detention and prosecution or extradition of persons charged with terrorist acts, in accordance with their obligations under international and national law.

Sub-paragraph (3g)

Ministerial Council Bucharest 2001
Decision No. 1 Combating Terrorism
The Bucharest Plan of Action for Combating Terrorism

19. **Supporting law enforcement and fighting organized crime:** Participating States: Noting the close connection between terrorism and transnational organized crime, illicit traffick:ng in drugs, money laundering and

illicit arms trafficking, will take the necessary steps to prevent in their territory illegal activities of persons, groups or organizations that instigate, finance, organize, facilitate or engage in perpetration of acts of terrorism or other illegal activities directed at the violent overthrow of the political regime of another participating State. Will afford one another the greatest measure of assistance in providing information in connection with criminal investigations or criminal extradition proceedings relating to terrorist acts, in accordance with their domestic law and international obligations.

26. **Preventing movement of terrorists**: Participating States: Will prevent the movement of terrorist individuals or groups through effective border controls and controls on issuance of identity papers and travel documents, as well as through measures for ensuring the security of identity papers and travel documents and preventing their counterfeiting, forgery and fraudulent use. Will apply such control measures fully respecting their obligations under international refugee and human rights law. Will, through the proper application of the exclusion clauses contained in the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol, ensure that asylum is not granted to persons who have participated in terrorist acts. Will provide for the timely detention and prosecution or extradition of persons charged with terrorist acts, in accordance with their obligations under international and national law.

Appendix

[redacted]

Organization for Security and Co-operation in Europe
Ministerial Council
Bucharest 2001

MC(9).DEC/1
4 December 2001

Original: ENGLISH

2nd day of the Ninth Meeting
MC(9) Journal No. 2, Agenda item 9

DECISION No. 1
COMBATING TERRORISM

The 55 participating States of the OSCE stand united against terrorism, a scourge of our times.

The OSCE participating States resolutely condemn the barbaric acts of terrorism that were committed against the United States on 11 September 2001. They represented an attack on the whole of the international community, and on people of every faith and culture. These heinous deeds, as well as other terrorist acts in all forms and manifestations, committed no matter when, where or by whom, are a threat to international and regional peace, security and stability. There must be no safe haven for those perpetrating, financing, harbouring or otherwise supporting those responsible for such criminal acts. Terrorism, whatever its motivation or origin, has no justification.

The OSCE participating States will not yield to terrorist threats, but will combat them by all means in accordance with their international commitments. This will require a long and sustained effort, but they take strength from their broad coalition, reaching from Vancouver to Vladivostok. They will defend freedom and protect their citizens against acts of terrorism, fully respecting international law and human rights. They firmly reject identification of terrorism with any nationality or religion and reconfirm the norms, principles and values of the OSCE.

The OSCE participating States pledge to reinforce and develop bilateral and multilateral co-operation within the OSCE, with the United Nations and with other international and regional organizations, in order to combat terrorism in all its forms and manifestations, wherever and by whomever committed. As a regional arrangement under Chapter VIII of the Charter of the United Nations, the OSCE is determined to contribute to the fulfillment of international obligations as enshrined, *inter alia*, in United Nations Security Council resolution 1373 (2001), and will act in conformity with the purposes and principles of the Charter of the United Nations. The OSCE participating States pledge to become parties to all 12 United Nations conventions and protocols related to terrorism as soon as possible. They call for a speedy finalization of negotiations for a Comprehensive United Nations Convention on International Terrorism.

The OSCE participating States have come together in political solidarity to take joint action. They look forward to the substantive contribution that the Bishkek International Conference on Enhancing Security and Stability in Central Asia, to be held on 13 and 14 December 2001, can render to global anti-terrorism efforts, and will support, also through technical assistance, the Central Asian partners, on their request, in countering external threats related to terrorism.

To that end, the OSCE Ministerial Council adopts The Bucharest Plan of Action for Combating Terrorism, annexed to this Decision.

MC(9).DEC/1
4 December 2001
Annex

THE BUCHAREST PLAN OF ACTION FOR COMBATING TERRORISM

I. Goal of the Action Plan

1. Terrorism is a threat to international peace and security, in the OSCE area as elsewhere. The OSCE stands ready to make its contribution to the fight against terrorism in close co-operation with other organizations and fora. This contribution will be consistent with the Platform for Co-operative Security and will benefit from interaction between global and regional anti-terrorism efforts under the aegis of the United Nations. The OSCE participating States commit their political will, resources and practical means to the implementation of their obligations under existing international terrorism conventions and pledge themselves to intensify national, bilateral and multilateral efforts to combat terrorism.

2. In contribution to the world-wide efforts to combat terrorism, the OSCE will seek to add value on the basis of the specifics of the Organization, its strengths and comparative advantages: its comprehensive security concept linking the politico-military, human and economic dimensions, its broad membership; its experience in the field; and its expertise in early warning, conflict prevention, crisis management, post-conflict rehabilitation and building democratic institutions. In addition, many effective counter-terrorism measures fall into areas in which the OSCE is already active and proficient, such as police training and monitoring, legislative and judicial reform, and border monitoring.

3. The aim of the Action Plan is to establish a framework for comprehensive OSCE action to be taken by participating States and the Organization as a whole to combat terrorism, fully respecting international law, including the international law of human rights and other relevant norms of international law. The Action Plan seeks to expand existing activities that contribute to combating terrorism, facilitate interaction between States and, where appropriate, identify new instruments for action. The Action Plan, which recognizes that the fight against terrorism requires sustained efforts, will identify activities to be implemented immediately as well as over the medium and long term.

II. International legal obligations and political commitments

4. United Nations conventions and United Nations Security Council resolutions (UNSCR) constitute the global legal framework for the fight against terrorism. UNSCR 1269 (1999), 1368, 1373 and 1377 (2001), along with the 12 relevant United Nations conventions and protocols on anti-terrorism issues, provide the basis for this framework and include a number of specific elements of combating terrorism. In addition, a range of OSCE documents, including Summit declarations from Helsinki to Istanbul, spell out the OSCE's commitment to fight terrorism, in accordance with the Charter of the United Nations. The widest and most comprehensive participation in and implementation of existing instruments and commitments to combat terrorism by the participating States must be pursued and ensured.

5. Participating States: Pledge themselves to apply efforts to become parties to all 12 United Nations conventions and protocols relating to terrorism, by 31 December, 2002, if

possible, recognizing the important role that parliamentarians may play in ratification and other anti-terrorism legislative processes. States are encouraged to inform the Permanent Council of steps taken in this regard. Will participate constructively in the ongoing negotiations at the United Nations on a Comprehensive Convention against International Terrorism and an International Convention for the Suppression of Acts of Nuclear Terrorism, with a view to their early and successful conclusion.

6. Office for Democratic Institutions and Human Rights (ODIHR): Will, on formal request by interested participating States and where appropriate, offer technical assistance/advice on legislative drafting necessary for the ratification of international instruments, in close co-operation with other organizations, including the United Nations Office for Drug Control and Crime Prevention (UNODCCP).

7. Participating States: Will consider how the OSCE may draw upon best practices and lessons learned from other relevant groups, organizations, institutions and fora in areas such as police and judicial co-operation; prevention and suppression of the financing of terrorism; denial of other means of support; border controls including visa and document security; and access by law enforcement authorities to information.

8. The participating States will also use the Forum for Security Co-operation (FSC) to strengthen their efforts in combating terrorism through full and timely implementation of all relevant measures agreed by the OSCE. To this end they will enhance implementation of existing politico-military commitments and agreements, in particular the Code of Conduct on Politico-Military Aspects of Security and the Document on Small Arms and Light Weapons (SALW).

The FSC will examine the relevance of its other documents to the fight against terrorism, and will assess whether there is a need to develop additional norms and measures. The Security Dialogue may serve as a suitable basis for regular consultations on these issues within the FSC.

The participating States will submit responses to the Code of Conduct Questionnaire that provide further transparency on international, regional and national commitments in combating terrorism, especially relevant United Nation conventions and resolutions. The FSC will consider ways to fully implement the Document on SALW, *inter alia* Section V on early warning, conflict prevention, crisis management, and post-conflict rehabilitation. The FSC will examine the possibility of enhancing transparency on national marking systems, exports and imports, and national stockpile management and security procedures, primarily by reviewing the information thus exchanged and developing best practice guides. The follow-up conference on the Code of Conduct and the SALW workshop, both of which will take place in 2002, could further enhance the application of these documents in combating terrorism.

III. Preventive action against terrorism in the OSCE area

9. No circumstance or cause can justify acts of terrorism. At the same time, there are various social, economic, political and other factors, including violent separatism and extremism, which engender conditions in which terrorist organizations are able to recruit and win support. The OSCE's comprehensive approach to security provides comparative

advantages in combating terrorism by identifying and addressing these factors through all relevant OSCE instruments and structures.

10. **Institution building, strengthening the rule of law and state authorities:** ODIHR: Will continue and increase efforts to promote and assist in building democratic institutions at the request of States, inter alia by helping to strengthen administrative capacity, local and central government and parliamentary structures, the judiciary, ombudsman institutions and civil society. Will facilitate exchanges of best practices and experience between participating States in this regard. Will continue to develop projects to solidify democratic institutions, civil society and good governance.

11. **Promoting human rights, tolerance and multi-culturalism:** Participating States/Permanent Council/ODIHR/High Commissioner on National Minorities (HCNM)/Representative on Freedom of the Media: Will promote and enhance tolerance, co-existence and harmonious relations between ethnic, religious, linguistic and other groups as well as constructive co-operation among participating States in this regard. Will provide early warning of and appropriate responses to violence, intolerance, extremism and discrimination against these groups and, at the same time, promote their respect for the rule of law, democratic values and individual freedoms. Will work to ensure that persons belonging to national minorities have the right freely to express, preserve and develop their ethnic, cultural, linguistic or religious identity.

12. Representative on Freedom of the Media: Will consider developing projects aimed at supporting tolerance towards people of other convictions and beliefs through the use of the media. Will promote measures aimed at preventing and fighting aggressive nationalism, racism, chauvinism, xenophobia and anti-Semitism in the media. Will continue to encourage pluralistic debate and increased media attention to promoting tolerance of ethnic, religious, linguistic and cultural diversity and will, in this context, promote broad public access to media as well as monitor hate speech.

13. **Addressing negative socio-economic factors:** Participating States/Secretariat: Will aim to identify economic and environmental issues that undermine security, such as poor governance; corruption; illegal economic activity; high unemployment; widespread poverty and large disparities; demographic factors; and unsustainable use of natural resources; and will seek to counter such factors with the assistance, on their request, of the Office of the Co-ordinator of OSCE Economic and Environmental Activities (OCEEA), acting, among other things, as a catalyst for action and co-operation.

14. **Preventing violent conflict and promoting peaceful settlement of disputes:** Drawing on all its capacities, the OSCE will continue and intensify work aimed at early warning and appropriate response, conflict prevention, crisis management and post-conflict rehabilitation; will strengthen its ability to settle conflicts; will increase efforts to find lasting solutions to unresolved conflicts, including through promotion of the rule of law and crime prevention in such conflict zones through increased co-operation with the United Nations, the European Union and other international organizations; and will further develop its rapid deployment capability (REACT) in crisis situations.

15. **Addressing the issue of protracted displacement:** Participating States/ODIHR/HCNM/Representative on Freedom of the Media: Will explore strengthened

OSCE potential for contributing to durable solutions, supporting and closely co-operating with other relevant organizations, primarily the Office of the United Nations High Commissioner for Refugees. Will closely monitor situations of protracted displacement.

16. Strengthening national anti-terrorism legislation: Participating States: Will commit themselves to implementing all the obligations they have assumed under relevant conventions and protocols relating to terrorism as well as the United Nations Convention against Transnational Organized Crime and its additional protocols, sharing information and methods in this regard and considering ways and means of co-operation in implementation at bilateral, OSCE-wide and sub-regional meetings.

17. OSCE Parliamentary Assembly: Will continue its efforts to promote dialogue among OSCE parliamentarians with a view to strengthening legislation essential in combating terrorism.

18. ODIHR: Will, on request by interested participating States and where appropriate, offer technical assistance/advice on the implementation of international anti-terrorism conventions and protocols as well as on the compliance of this legislation with international standards, in accordance with Permanent Council decisions, and will seek co-operation with other organizations, especially the UNODCCP, to this end. Will consider facilitating contacts between national experts to promote exchange of information and best practices on counter-terrorism legislation.

19. Supporting law enforcement and fighting organized crime: Participating States: Noting the close connection between terrorism and transnational organized crime, illicit trafficking in drugs, money laundering and illicit arms trafficking, will take the necessary steps to prevent in their territory illegal activities of persons, groups or organizations that instigate, finance, organize, facilitate or engage in perpetration of acts of terrorism or other illegal activities directed at the violent overthrow of the political regime of another participating State. Will afford one another the greatest measure of assistance in providing information in connection with criminal investigations or criminal extradition proceedings relating to terrorist acts, in accordance with their domestic law and international obligations.

20. Permanent Council: Will consider arranging regular meetings of law enforcement officials of participating States and, where applicable, of OSCE experts with relevant experience in the field to exchange best practices and ways of improving co-operation.

21. Secretariat: Will assist participating States, on their request, through measures to combat trafficking in human beings, drugs and small arms and light weapons, in accordance with relevant Permanent Council decisions, and will undertake efforts to assist in facilitating increased border monitoring, where appropriate. Will further assist participating States, on the request and with their agreement, through provision of advice and assistance on restructuring and/or reconstruction of police services; monitoring and training of existing police services, including human rights training; and capacity building, including support for integrated or multi-ethnic police services. Will, to this end, reinforce its existing police-related activities in conflict prevention, crisis management and post-conflict rehabilitation.

22. ODIHR: Will provide continued advice to participating States, at their request, on strengthening domestic legal frameworks and institutions that uphold the rule of law, such as

law enforcement agencies, the judiciary and the prosecuting authorities, bar associations and defence attorneys. Will expand its efforts to combat trafficking in human beings and to support victims of trafficking. Will, where appropriate, support prison reform and improvements in criminal procedure.

23. Representative on Freedom of the Media: Will co-operate in supporting, on request, the drafting of legislation on the prevention of the abuse of information technology for terrorist purposes, ensuring that such laws are consistent with commitments regarding freedom of expression and the free flow of information.

24. Suppressing the financing of terrorism. Participating States: Will, within the framework of the United Nations Convention on the Suppression of Financing of Terrorism and UNSCR 1373 (2001), take action to prevent and suppress the financing of terrorism, criminalize the wilful provision or collection of funds for terrorist purposes, and freeze terrorist assets also bearing in mind UNSCR 1267 (1999). Will, in accordance with their domestic legislation and obligations under international law, provide early response to requests for information by another participating State and relevant international organizations.

25. Participating States/Secretariat: Will, in the realm of the Economic and Environmental activities for 2002, also consider ways of combating economic factors which may facilitate the emergence of terrorism, economic consequences of terrorism as well as financial support for terrorists. Will consider how the OSCE may contribute, within the framework of its work on transparency and the fight against corruption, to the wider international effort to combat terrorism. Will consider taking on a catalytic role in providing targeted projects for the training of the personnel of domestic financial institutions in counter-terrorism areas, inter alia on monitoring of financial flows and on prevention of money laundering. Participating States will participate constructively in the forthcoming negotiations at the United Nations on a global instrument against corruption, with a view to their early and successful conclusion.

26. Preventing movement of terrorists: Participating States: Will prevent the movement of terrorist individuals or groups through effective border controls and controls on issuance of identity papers and travel documents, as well as through measures for ensuring the security of identity papers and travel documents and preventing their counterfeiting, forgery and fraudulent use. Will apply such control measures fully respecting their obligations under international refugee and human rights law. Will, through the proper application of the exclusion clauses contained in the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol, ensure that asylum is not granted to persons who have participated in terrorist acts. Will provide for the timely detention and prosecution or extradition of persons charged with terrorist acts, in accordance with their obligations under international and national law.

IV. Action under the Platform for Co-operative Security - Co-operation with other organizations

27. The United Nations is the framework for the global fight against terrorism. Close co-operation and co-ordination between all relevant actors must be secured. The OSCE can take on a co-ordinating role for inter- and intra-regional initiatives. The OSCE reaches out

through close contacts to non-governmental organizations (NGOs), civil society and parliamentarians, creating an ever-closer network for the international coalition against terrorism.

28. Participating States/Secretariat: Will strengthen co-operation and information exchanges, both formally and informally, with other relevant groups, organizations, and institutions involved in combating terrorism. Will strengthen co-operation with the European Union on analysis and early warning and reinforce synergy with the Stability Pact for South Eastern Europe and the Central European Initiative in areas relevant to combating terrorism. Will promote dialogue within the OSCE area on issues relating to new threats and challenges. Will broaden dialogue with partners outside the OSCE area, such as the Mediterranean Partners for Co-operation and Partners for Co-operation in Asia, the Shanghai Co-operation Organization, the Conference on Interaction and Confidence- Building Measures in Asia, the Organization of the Islamic Conference, the Arab League, the African Union, and those States bordering on the OSCE area to exchange best practices and lessons learned in counter-terrorism efforts for application within the OSCE area.

V. Follow-up

29. The "Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism", to be held on 13 and 14 December 2001 in Bishkek, will be a first opportunity to:

- discuss among a broad range of participants, on the basis of the present Action Plan, concrete experiences and best practices in combating international terrorism and

- due to the specific security challenges to which this region is exposed, apply relevant provisions of this Action Plan for practical support to participating States in Central Asia, including financial and technical assistance in concrete areas of their interest.

30. The Secretary General will, by 27 December 2001, report to the United Nations Counter Terrorism Committee on action on combating terrorism taken by the OSCE, and will thereafter inform the United Nations as appropriate. In addition, he will regularly inform the Permanent Council about OSCE activities under this Plan of Action. He will prepare a report for submission to the next OSCE Ministerial Council/Summit on activities of OSCE bodies in the anti-terrorism field, and thereafter as requested by the Permanent Council.

31. Each OSCE body called upon to take action under this Plan will prepare, for submission to the Permanent Council, a "road map" for implementation of these tasks, including a timetable, resource implications, and indication of activities requiring further Permanent Council decisions.

On the basis of information provided by other OSCE bodies, the Secretariat will prepare an indicative assessment of the administrative and financial implications of this Plan of Action, including the possible need for establishing an anti-terrorism unit or focal point within the Secretariat, and make recommendations for the approval by the Permanent Council of necessary resources within the 2002 budget. The Permanent Council, acting, inter alia, through the Chairman-in-Office and assisted by the Secretariat, will monitor the implementation of this Action Plan. It will further identify sources for assistance in

implementing counter-terrorism measures, including expert teams, and possible additional tasking by the Permanent Council of OSCE field presences in close co-operation and agreement with host governments.

Declaration of the Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening the Comprehensive Efforts to Counter Terrorism

13-14 December 2001

The States participants*) of the international conference in Bishkek:

Resolutely condemning terrorism in all its forms and manifestations;

Acknowledging the primary role of the United Nations in the fight against terrorism and supporting resolutions no. 1377 (2001), 1373 (2001), 1368 (2001) and 1269 (1999) of the UN Security Council, as well as General Assembly Resolution 56/1 as a basis and framework for global co-operation to counter international terrorism;

Reaffirming the 'Decision on Combating Terrorism' and the 'Bucharest Plan of Action for Combating Terrorism' adopted at the Ninth Meeting of the OSCE Ministerial Council on 3-4 December 2001 in Bucharest;

Acknowledging the importance of the Declaration by the Central Asian states and the document "Priorities for Co-operation to Counter Drugs, Organized Crime and Terrorism in Central Asia", as endorsed in Tashkent, 20 October 2000;

Committed to address political conflicts and economic and social problems which are exploited by terrorists and violent extremists to mobilise support for their cause.

Determined to translate their political will into action by joining forces to combat terrorism in all its forms and manifestations.

(1) Note the importance and timeliness of the Bishkek Conference 2001, as an international forum to strengthen understanding and share approaches in the struggle against terrorism.

(2) Emphasise that terrorism is a global problem and that there must be no safe haven for perpetrators of such crimes and their accomplices. It is a complex challenge due to links with transnational organized crime, illicit drugs, trafficking in human beings,

money laundering, arms trafficking, computer and other high technology crimes as well as other threats, including the proliferation of weapons of mass destruction.

(3) Reject firmly the identification of terrorism with any particular religion or culture as well as the unacceptable attempts by terrorists and violent extremists to present their cause as a struggle between religions or cultures.

(4) Confirm that the struggle against terrorism requires joint and comprehensive efforts of the international community, in full conformity with the purposes and principles of the UN Charter, their obligations under international law, and the OSCE commitments they have undertaken, which closely link the OSCE's politico-military, human and economic dimensions.

(5) Express their determination to combat terrorism while fully respecting human rights and the rule of law.

(6) Underline their commitment to address at the earliest possible moment political conflicts and economic and social problems which are exploited and abused by terrorists and violent extremists to mobilise support for their destructive causes.

(7) Call upon the international community, governments and civil societies to closely co-operate in the struggle against acts of terrorism in all its forms and manifestations on bilateral, regional and multilateral levels.

(8) Note that as a neighbor to Afghanistan, the Central Asian region is exposed to specific challenges and threats to security; in this connection, they note the contribution of the states in the region to the global coalition against international terrorism and emphasized the necessity to render political support and financial/technical assistance to the states of Central Asia in this context, including support for sustainable development.

(9) Endorse the attached "Programme of Action", to initiate practical measures aimed at preventing and countering terrorism.

(10) Express their gratitude to the Government of the Kyrgyz Republic for having taken the initiative for this conference and for the excellent conference framework and hospitality in Bishkek.

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*/ This declaration was agreed amongst OSCE participating States represented at the conference on the basis of interventions made at the conference.

UN

BISHKEK

Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism

13 – 14 December 2001

"Programme of Action"

I: Framework for Co-operation

1. The "Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism" (Bishkek Conference), which was co-organized by UN ODCCP and OSCE, brought together, in the spirit of the UN Charter and the OSCE Platform for Co-operative Security, representatives of OSCE participating States and a broad range of officials from international organizations, observers and experts.

2. Discussions were based on United Nations resolutions, in particular, Security Council Resolutions 1373 and 1377, the UN Plan of Action for the implementation of the UN Vienna Declaration on Crime and Justice: Meeting the Challenges of the Twenty-first Century (April 2000), and on the OSCE Bucharest Plan of Action for Combating Terrorism (4 December 2001). Considering the fact that the "Bishkek Conference" is also a follow-up to the International Conference on Enhancing Security and Stability in Central Asia (Tashkent, October 2000), the outcome of the "Tashkent Conference" was duly taken into account.

3. The "Bishkek Conference" strengthened the resolve of the participants to unite in the fight against terrorism and to support the key role of the United Nations.

4. The participants invited international and regional organizations to strengthen co-operation and co-ordination by undertaking the following steps:

   - To make full use of platforms, like the "Bishkek Conference", to develop synergies between their activities in order to maximize the effectiveness of their assistance. In this regard, participants welcomed the intention of ODCCP and OSCE to further develop working contacts in order to strengthen their complementary capacities; and

- To build upon positive experiences gained in the development of the ODCCP Programme for Central Asia, with the assistance of the donor community.

II: Measures to Combat and Prevent Terrorism

Taking into account the commitments of the OSCE participating States, as reflected in the Bucharest Plan of Action and in line with Section VII of the Plan of Action for the implementation of the Vienna Declaration, the following measures were identified:

1. *To request* OSCE and ODCCP to enhance synergy and coordination in providing necessary assistance. In this regard, initiatives of UN/ODCCP and OSCE/ODIHR, such as organizing regional and sub-regional workshops for the promotion of the ratification and implementation of international conventions are strongly encouraged. The crucial role of parliaments, in particular, in the ratification process, is also to be taken into account as is the role of the OSCE Parliamentary Assembly in encouraging dialogue among parliamentarians;

2. *To enhance* national interagency co-operation between anti-terrorist agencies and agencies fighting crime, including drug trafficking, by an exchange of operational information between such agencies and law enforcement authorities charged with combating terrorism;

3. *To foster* regional and international co-operation between anti-terrorist agencies and agencies fighting crime, including the trafficking of arms and illicit drugs, e.g. in the form of the establishment of channels of communication between relevant agencies; to suggest to the OSCE Permanent Council to consider convening in Vienna a special expert meeting, with the participation of representatives of law enforcement bodies, arranged by the OSCE while inviting the UN as a co-organizer;

4. *To adopt* national anti-money laundering legislation and create corresponding structures, e.g. Financial Intelligence Units, which can be employed to prevent and suppress the financing of terrorism, as well as other relevant crimes. In this connection, the participants drew the attention of the international community to the importance of providing assistance, upon request, to States in developing relevant national legislative and administrative tools;

5. *To work toward* rapid ratification and implementation of relevant international instruments, including the 1999 UN International Convention for the Suppression of the Financing of Terrorism, and consider implementing the standards of financial accountability and transparency embodied in the Financial Action Task Force (FATF) 40 Recommendations on Money Laundering and eight Special Recommendations on Terrorist Financing; to take immediate steps in accordance with UN Security Council Resolution 1373 (2001), to block the assets of individuals and entities linked to terrorist financing;

6. *To have countries gather* information on, and engage in the analysis of, criminal activities carried out for the purposes of furthering terrorism, as well as collect and update relevant information on terrorism and related activities. Subject to bilateral or multilateral agreements, such information could also be shared with appropriate international bodies and other countries;

7. *To increase* funding for relevant research conducted by appropriate institutions, including universities and non-governmental and governmental agencies;

8. *To prevent* the destabilising accumulation and uncontrolled spread and illicit trafficking of small arms and light weapons (SALW). In this context, the experiences from the implementation of the OSCE Document on Small Arms and Light Weapons, as well as from a series of national training workshops in all five OSCE participating States of Central Asia on combating trafficking and the stockpile management of SALW, should be taken into account. In addition, states are encouraged to actively participate in the regional seminar to be held in the spring of 2002 in Almaty. Moreover, the OSCE Conflict Prevention Centre is encouraged to develop further activities in the implementation of the aforementioned OSCE document;

9. *To prevent and to combat* terrorism by increasing co-operation in the fields of human rights and fundamental freedoms and by strengthening the rule of law and the building of democratic institutions, based in part, on the funding of relevant programmes of the UN as well as the OSCE;

10. *To enhance* the capacity of the judiciary to deal with all aspects of terrorism and related crime, including by the provision of relevant expertise and training so as further strengthen the independence and impartiality of the judiciary;

11. *To address* inner ethnic frictions at the earliest possible stage, thus contributing to a comprehensive policy for the prevention of terrorism; to support, in particular, the efforts of the OSCE HCNM in addressing issues pertaining to his mandate; and to foster dialogue and tolerance between majorities and minorities;

12. *To promote* active civil society engagement in the fight against terrorism, and to offer young people opportunities to learn and practice tolerance, to enable them to actively participate in civil society and to familiarize them with peaceful conflict resolution methods;

13. *To emphasize* the importance of tolerance in all aspects of social relations and the significant role of dialogue among civilizations as a means of reaching understanding and removing threats to peace in the spirit of UN General Assembly Resolution 53/22; and to foster continuous dialogue among all segments of society (including political and religious leaders, parliamentarians and NGOs) in order to prevent the marginalization of any segment of society; to recommend to

the OSCE Permanent Council to consider in 2002 the commencing of a dialogue between the OSCE and the Organization of the Islamic Conference.

14. *To assist* in strengthening free media, including serving the legitimate information needs of society without providing a platform for terrorists; to support the ongoing ODCCP project, "Mass Media Training on Drug and Crime Related Issues" which is being implemented in co-operation with the OSCE, as well as to follow-up on the result of the conference on media freedom in times of terrorist conflict, organized in Almaty by the OSCE Representative on Freedom of the Media; and to develop further programmes in this area, to promote freedom of expression and to monitor hate speech.

15. *To provide* psychological and social services to the victims of terrorism and to their families; and

16. *To address* economic and social problems that are exploited by terrorists, by encouraging the countries concerned to focus on sustainable development policies, taking into account existing priorities within the donor community.

III. Additional Needs

Considering that the Central Asian region is a neighbour to Afghanistan and that it requires support, also in connection with threats originating from Afghanistan, participants from both inside and outside Central Asia, pleaded that special efforts should be made by the international community to provide technical and financial assistance on the basis of comprehensive national and regional programmes of action, in the following areas:

1. *To strengthen* the capacities of Central Asian states to control their borders and to prevent border crossing by terrorist and organised crime groups, by taking into account the situation in Afghanistan with specific regard to illicit drugs, without impeding the normal flow of trade and free movement of people;

2. *To encourage* sustainable economic development by, *inter alia*, fostering co-operation between national banks in the region as well as within international banking structures, in order to support on the one hand, economic processes, including the attraction of foreign investment, and, on the other hand, to enhance their capacity to control money laundering and to suppress the financing of terrorism;

3. *To undertake* joint training and operational activities in various areas, including training of specialists and considering the provision of appropriate equipment and technologies; and

4. *To strengthen* the capacity of governmental institutions to combat terrorism, organized crime and illicit drugs.

5. *To consider* providing such financial and other assistance also with a view to facilitate the ratification and implementation of the relevant international conventions.

Measures in these areas should be addressed in comprehensive frameworks. In order to contribute to and ensure such frameworks, as well as to provide support for such measures, consideration should be given – not least with an eye for due follow-up and effective implementation – to continuing the dialogue among concerned countries, with the assistance of ODCCP and OSCE.